B&A Buys & Associates, Inc.
Environmental Consultants

2580 Creekview Road
Moab, Utah 84532
435/719-2018 435/719-2019 Fax

May 29, 2008

Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill—XTO Energy, Inc.
**AP 5-2JX**
2,021' FNL & 709' FWL, SW/4 NW/4, Section 2, T11S, R19E, SLB&M,
Uintah County, Utah

Dear Diana:

On behalf of XTO Energy, Inc., Buys & Associates, Inc., respectfully submits the enclosed original and one copy of the Application for Permit to Drill (APD) for the above referenced SITLA surface and mineral vertical well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Production site layout;

Exhibit "D" - Drilling Plan;

Exhibit "E" - Surface Use Plan with APD Certification;

Exhibit "F" - Typical BOP and Choke Manifold diagram;

Exhibit "G" - Cultural and Paleontological Clearance Reports.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Ken Secrest of XTO Energy, Inc. at 435-722-4521 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton
Agent for XTO Energy, Inc.

cc: Jim Davis, SITLA
Fluid Mineral Group, BLM—Vernal Field Office
Ken Secrest, XTO Energy, Inc.

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JUN 03 2008
DIV. OF OIL, GAS & MINING

ORIGINAL

**STATE OF UTAH**
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

# APPLICATION FOR PERMIT TO DRILL

| | |
|---|---|
| 5. MINERAL LEASE NO: ML-36213 | 6. SURFACE: State |
| 1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐ | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A |
| B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑ | 8. UNIT or CA AGREEMENT NAME: N/A |
| 2. NAME OF OPERATOR: XTO Energy, Inc. | 9. WELL NAME and NUMBER: AP 5-2JX |
| 3. ADDRESS OF OPERATOR: PO Box 1360 CITY Roosevelt STATE UT ZIP 84066 / PHONE NUMBER: (405) 749-5263 | 10. FIELD AND POOL, OR WILDCAT: ~~undesignated~~ Asphalt Pass |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2,021' FNL & 709' FWL, 605570X 4416163Y 39.890857 -109.765249 AT PROPOSED PRODUCING ZONE: | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNW 2 11S 19E S |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 14.43 miles southwest of Ouray, Utah | 12. COUNTY: Uintah / 13. STATE: UTAH |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 709' | 16. NUMBER OF ACRES IN LEASE: 625.62 / 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): 650' | 19. PROPOSED DEPTH: 9,689 / 20. BOND DESCRIPTION: SITLA Blanket 104312 762 |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5,440' GR | 22. APPROXIMATE DATE WORK WILL START: 8/15/2008 / 23. ESTIMATED DURATION: 14 days |

## 24. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | | | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT |
|---|---|---|---|---|---|
| | | | | | |
| 12-1/4" | 9-5/8" | J-55 ST | 36# | 2,200 | see Drilling Plan |
| 7-7/8" | 5-1/2" | N-80 LT | 17# | 9,689 | see Drilling Plan |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

## 25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☑ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Don Hamilton TITLE Agent for XTO Energy, Inc.

SIGNATURE Don Hamilton DATE 5/29/2008

**(This space for State use only)**

Approved by the
Utah Division of
Oil, Gas and Mining

RECEIVED
JUN 03 2008
DIV. OF OIL, GAS & MINING

API NUMBER ASSIGNED: 43-047-40107

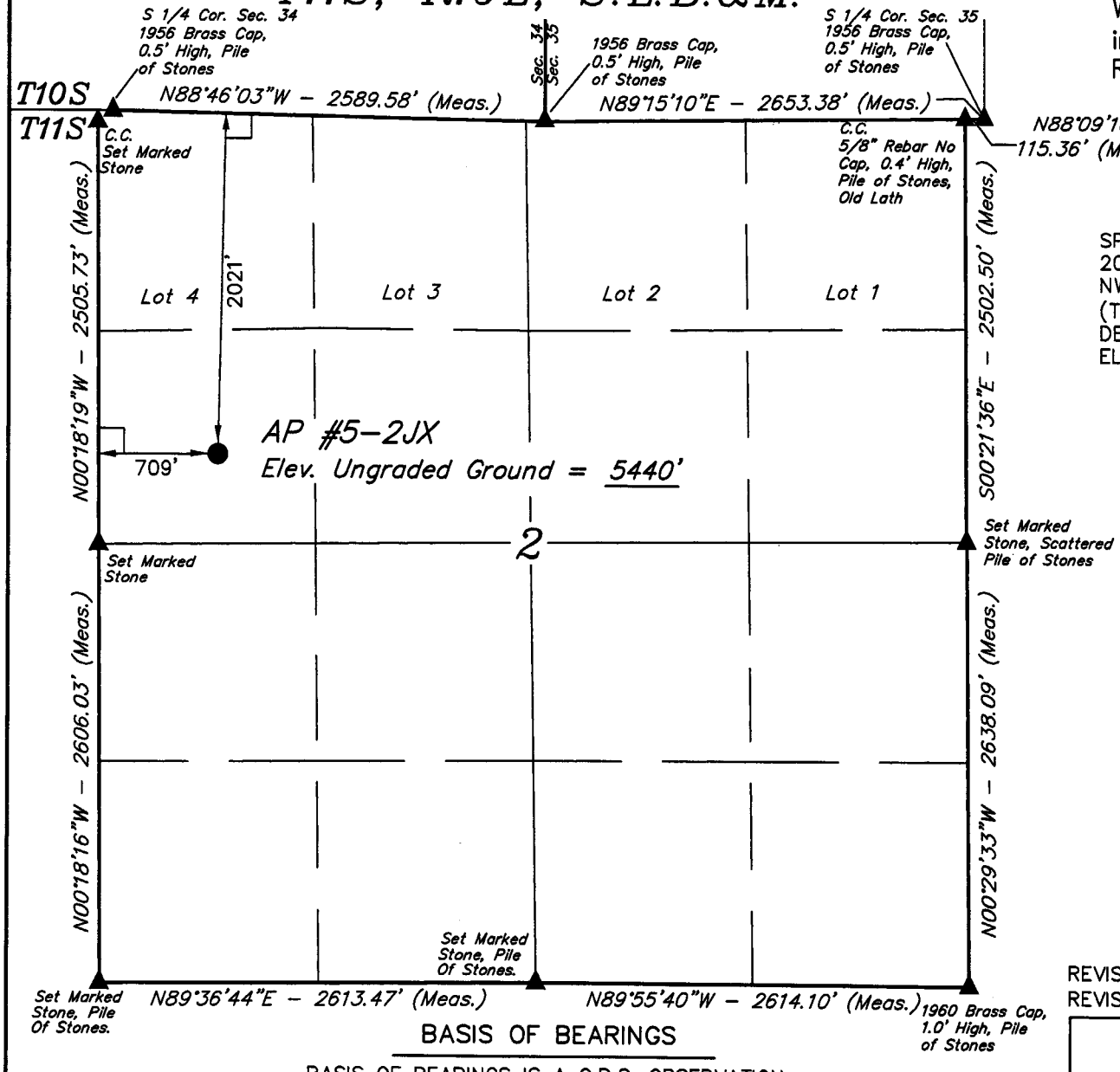
APPROVAL:
Date: 08-05-08
By: _____

(See Instructions on Reverse Side)

(11/2001)

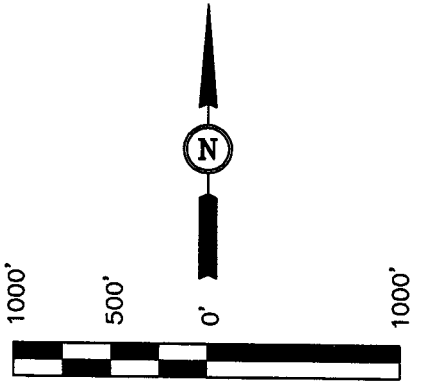
# XTO ENERGY, INC.

Well location, AP #5-2JX, located as shown in the SW 1/4 NW 1/4 of Section 2, T11S, R19E, S.L.B.&M., Uintah County, Utah.




## BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R19E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.




## CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 01-24-08 C.C.
REVISED: 11-30-07 C.H.

## BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)
LATITUDE = 39°53'26.78" (39.890772)
LONGITUDE = 109°45'57.39" (109.765942)
(NAD 27)
LATITUDE = 39°53'26.91" (39.890808)
LONGITUDE = 109°45'54.89" (109.765247)

## LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.


UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017


| | | |
|---|---|---|
| SCALE: 1" = 1000' | DATE SURVEYED: 05-24-05 | DATE DRAWN: 06-02-05 |
| PARTY: B.B. J.M. L.K. | REFERENCES: G.L.O. PLAT | |
| WEATHER: WARM | FILE: XTO ENERGY, INC. | |

# XTO ENERGY INC.

**AP 5-2JX**
**APD Data**
**May 29, 2008**

**Location**: 2021' FNL & 709' FWL, Sec. 2, T11S,R19E **County**: Uintah **State**: Utah

GREATEST PROJECTED TD: 9689' MD OBJECTIVE: Wasatch/Mesaverde
APPROX GR ELEV: 5440' Est KB ELEV: 5454' (14' AGL)

## 1. MUD PROGRAM:

| INTERVAL | 0' to 2200' | 2200' to 9689' |
|---|---|---|
| HOLE SIZE | 12.25" | 7.875" |
| MUD TYPE | FW/Spud Mud | KCl Based LSND / Gel Chemical |
| WEIGHT | 8.4 | 8.6-9.20 |
| VISCOSITY | NC | 30-60 |
| WATER LOSS | NC | 8-15 |

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes. The mud system will be monitored visually/manually.

## 2. CASING PROGRAM:

Surface Casing: 9.625" casing set at ± 2200' in a 12.25" hole filled with 8.4 ppg mud

| Interval | Length | Wt | Gr | Cplg | Coll Rating (psi) | Burst Rating (psi) | Jt Str (M-lbs) | ID (in) | Drift (in) | SF Coll | SF Burst | SF Ten |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0'-2200' | 2200' | 36# | J-55 | ST&C | 2020 | 3.66 | 394 | 8.921 | 8.765 | 2.10 | 3.66 | 4.97 |

Production Casing: 5.5" casing set at ±9689' in a 7.875" hole filled with 9.2 ppg mud.

| Interval | Length | Wt | Gr | Cplg | Coll Rating (psi) | Burst Rating (psi) | Jt Str (M-lbs) | ID (in) | Drift (in) | SF Coll | SF Burst | SF Ten |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0'-9689' | 9689' | 17# | N-80 | LT&C | 6280 | 7740 | 348 | 4.892 | 4.767 | 1.71 | 2.11 | 2.11 |

Collapse and burst loads calculated at TVD with 0.1 psi/ft gas gradient back up.

## 3. WELLHEAD:

A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread on bottom (or slip-on, weld-on) and 11-3/4" 8rnd thread on top.
B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 5,000 psig WP, 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

## 4. CEMENT PROGRAM:

A. Surface: 9.625", 36#, J-55, ST&C casing to be set at ±2200' in 12.25" hole.

LEAD:
**±183** sx of Type V cement (or equivalent) typically containing accelerator and LCM mixed at 11.0 ppg, 3.82 cu. ft./sk..

TAIL:
**225** sx of Class G (or equivalent) typically containing accelerator and LCM mixed at 15.8 ppg, 1.15 cu. ft./sk.

***Total estimated slurry volume for the 9.625" surface casing is 956.5 $ft^3$. Slurry includes 35% excess of calculated open hole annular volume to 2200'.***

B. Production: 5.5", 17#, N-80 (or equiv.), LT&C casing to be set at ±9689' in 7.875" hole.

LEAD:
**±502** sx of Premium Plus V Blend. (Type V/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 11.6 ppg, 3.12 $ft^3$/sk, 17.71 gal wtr/sx.

TAIL:
**300** sx Class G or equivalent cement with poz, bonding additive, LCM, dispersant, & fluid loss mixed at 13.0 ppg, 1.75 cuft/sx, 9.09 gal/sx.

***Total estimated slurry volume for the 5.5" production casing is 2090 $ft^3$. Slurry includes 15% excess of calculated open hole annular volume.***

***Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess. The cement is designed to circulate on surface casing string.***

## 5. LOGGING PROGRAM:

A. Mud Logger: The mud logger will come on at surface casing point and will remain on the hole until TD. The mud will be logged in 10' intervals.

B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (9689') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (9689') to 2200'.

## 6. FORMATION TOPS:

| FORMATION | Sub-Sea Elev. (@SHL) | TVD (@SHL) |
|---|---|---|
| Green River | 4,590 | 869 |
| Mahogany Bench Mbr. | 3,745 | 1,714 |
| Wasatch Tongue | 1,695 | 3,764 |
| Green River Tongue | 1,335 | 4,124 |
| Wasatch* | 1,170 | 4,289 |
| Chapita Wells* | 365 | 5,094 |
| Uteland Buttes | -840 | 6,299 |
| Mesaverde* | -1,710 | 7,169 |
| Castlegate | N/A | N/A |
| TD** | **-4,230** | **9,689** |

** Primary Objective*

## 7. ANTICIPATED OIL, GAS, & WATER ZONES:

A.

| Formation | Expected Fluids | Well Depth Top |
|---|---|---|
| Green River | Water/Oil Shale | 869 |
| Mahogoany Bench Mbr. | Water/Oil Shale | 1,714 |
| Wasatch Tongue | Oil/Gas/Water | 3,764 |
| Green River Tongue | Oil/Gas/Water | 4,124 |
| Wasatch* | Gas/Water | 4,289 |
| Chapita Wells* | Gas/Water | 5,094 |
| Uteland Buttes | Gas/Water | 6,299 |
| Mesaverde* | Gas/Water | 7,169 |
| Castlegate | Gas/Water | N/A |

B. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.
C. There are no known potential sources of $H_2S$.
D. Expected bottom hole pressures are between 4100 psi and 4600 psi.
E. Base of Moderately Saline Water (USGS) at 3954'.

## 8. BOP EQUIPMENT:

Surface will not utilize a bop stack.

Production hole will be drilled with a 3000 psi BOP stack.

Minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

a. when initially installed:

b. whenever any seal subject to test pressure is broken

c. following related repairs: and

d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Test pressures for BOP equipment are as follows:

Annular BOP -- 1500 psi
Ram type BOP -- 3000 psi
Kill line valves -- 3000 psi
Choke line valves and choke manifold valves -- 3000 psi
Chokes -- 3000 psi
Casing, casinghead & weld -- 1500 psi
Upper kelly cock and safety valve -- 3000 psi
Dart valve -- 3000 psi

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Vernal, UT shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

a. The size and rating of the BOP stack is shown on the attached diagram.

b. A choke line and a kill line are to be properly installed.

c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.

d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

e. See attached BOP & Choke manifold diagrams.

## 9. COMPANY PERSONNEL:

| Name | Title | Office Phone | Home Phone |
|---|---|---|---|
| John Egelston | Drilling Engineer | 505-333-3163 | 505-330-6902 |
| Bobby Jackson | Drilling Superintendent | 505-333-3224 | 505-486-4706 |
| Glen Christiansen | Project Geologist | 817-885-2800 | |

# SURFACE USE PLAN

| | |
|---|---|
| **Name of Operator:** | XTO Energy, Inc. |
| **Address:** | P.O. Box 1360; 978 North Crescent<br>Roosevelt, Utah 84066 |
| **Well Location:** | AP 5-2JX<br>2,021' FNL & 709' FWL, SW/4 NW/4,<br>Section 2, T11S, R19E, SLB&M, Uintah County, Utah |

The surface owner or surface owner representative and dirt contractor will be provided with an approved copy of the surface use plan of operations and approved conditions of approval before initiating construction.

The onsite inspection for the referenced well is pending at this time.

1. Location of Existing Roads:

   a. The proposed well site is located approximately 14.43 miles southwest of Ouray, Utah.

   b. Directions to the proposed well site have been attached at the end of Exhibit B.

   c. The use of roads under State and County Road Department maintenance are necessary to access the AP area. However, no upgrades to the State or County Road system are proposed at this time.

   d. A Uintah County Road department encroachment is not needed to access this well.

   e. All existing roads will be maintained and kept in good repair during all phases of operation.

   e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.

   f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.

   g. All proposed disturbance (wellsite, access and pipeline corridors) is contained within the existing SITLA lease boundary with no additional SITLA or Federal surface use required.

2. Planned Access Roads:

a. Access utilizes the existing access to the AP 5-2J P&A well, no new access is proposed with this application

3. Location of Existing Wells:

a. Exhibit B has a map reflecting these wells within a one mile radius of the proposed well.

4. Location of Existing and/or Proposed Production Facilities:

a. All permanent structures will be painted a flat, non-reflective Covert Green /Carlsbad Canyon to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.

b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.

c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.

e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.

f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.

g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.

h. A pipeline corridor already exists to this wellsite for the AP 5-2J plugged and abandon well.

i. XTO Energy, Inc. requests permission to upgrade the existing pipeline corridor to contain a single steel gas pipeline and a single steel or poly pipe water pipeline within the previously approved pipeline corridor and traverse between the existing AP 5-2J and the east line of Section 2 along the previously approved route. The federal segment will be upgraded through a separate right-of-way amendment

j. The upgraded segments of the gas pipeline will be a 12" or less buried line and the water pipeline will be a 12" or less buried line within a 45' wide disturbed pipeline corridor.

k. Construction of the pipeline corridor will temporarily utilize the 30' disturbed width for the road for a total disturbed width of 75' for the road and pipeline corridors. The use of the proposed well site and access roads will facilitate the staging of the pipeline corridor construction.

l. XTO Energy, Inc. intends to bury the pipeline where possible and connect the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

a. No water supply pipelines will be laid for this well.

b. No water well will be drilled for this well.

c. Drilling water for this will be hauled on the road(s) shown in Exhibit B.

d. Water will be hauled from one of the following sources:
- Water Permit # 43-10991, Section 9, T8S, R20E;
- Water Permit #43-2189, Section 33, T8S, R20E;
- Water Permit #49-2158, Section 33, T8S, R20E;
- Water Permit #49-2262, Section 33, T8S, R20E;
- Water Permit #49-1645, Section 5, T9S, R22E;
- Water Permit #43-9077, Section 32, T6S, R20E;
- Tribal Resolution 06-183, Section 22, T10S, R20E;

6. Source of Construction Material:

a. The use of materials will conform to 43 CFR 3610.2-3.

b. No construction materials will be removed from Ute Tribal or BLM lands.

c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste:

a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.

b. Drill cuttings will be contained and buried on site.

c. The reserve pit will be located outboard of the location and along the east side of the pad.

d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.

e. The reserve pit will be lined with 16 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.

f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.

g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in

threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.

h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.

i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved XTO Energy, Inc. disposal well for disposal.

k. Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order #7.

l. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.

m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

b. No camps, airstrips or staging areas are proposed with this application.

9. Well Site Layout: (See Exhibit B)

a. The well will be properly identified in accordance with 43 CFR 3162.6.

b. Access to the well pad will be from the south.

c. The pad and road designs are consistent with DOGM specification

d. A pre-construction meeting with responsible company representative, contractors, and the landowner representative will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.

e. The pad has been staked at its maximum size; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.

f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.

g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.

h. Diversion ditches will be constructed as shown around the well site to prevent surface waters form entering the well site area.

i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.

j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.

k. Pits will remain fenced until site cleanup.

l. The blooie line will be located at least 100 feet from the well head.

m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface (Interim Reclamation and Final Reclamation):

a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.

b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with DOGM requirements. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours.

c. Following Best Management Practices the interim reclamation will be completed within 90 days of completion of the well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
    a. All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured.
    b. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend with the surrounding area and reseeded as requested by the landowner.
    c. Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.

d. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the SITLA or the appropriate County Extension Office.

e. Prior to final abandonment of the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the landowner.

11. Surface and Mineral Ownership:

a. Surface Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

b. Mineral Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

12. Other Information:

a. Operators Contact Information:

| Title | Name | Office Phone | Mobile Phone | e-mail |
|---|---|---|---|---|
| Company Rep. | Ken Secrest | 435-722-4521 | 435-828-1450 | Ken_Secrest@xtoenergy.com |
| Agent | Don Hamilton | 435-719-2018 | 435-719-2018 | starpoint@etv.net |

b. AIA has conducted a Class III archeological survey. A copy of the report is attached and has also been submitted under separate cover to the appropriate agencies by AIA.

c. Alden Hamblin has conducted a paleontological survey. A copy of the report is attached and has also been submitted under separate cover to the appropriate agencies by Alden Hamblin.

Certification:

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exists; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application and that bond coverage is provided under XTO Energy, Inc's SITLA bond 104312-762.

Executed this 29th day of May, 2008.

Don Hamilton

Don Hamilton -- Agent for XTO Energy, Inc.
2580 Creekview Road
Moab, Utah 84532

435-719-2018
starpoint@etv.net

# Dominion Exploration & Production: Algiers Pass (AP) #5-2J; A Cultural Resource Inventory for a well pad its access and flowline, Uintah County, Utah.

By
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Principal Investigator

Prepared For
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Prepared By
AN INDEPENDENT ARCHAEOLOGIST
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Utah Project # U-05-AY-0295(s)

June 9, 2005

## Table of Contents

# List of Figures

## Introduction

An Independent Archaeologist (AIA), was contacted by a representative of Dominion Exploration & Production, to conduct a cultural resources survey investigation of the proposed Algiers Pass (AP) #5-2J well location, its access and flowline. The location of the project area is the SW/NW 1/4 of Section 2, T11S, R19E Uintah County, Utah.

The proposed Algiers Pass (AP) #5-2J well centerstake footage is 1922' FNL and 691' FWL (Figure 1). The UTM coordinate of the proposed AP #5-2J well is Zone 12, NAD 83, 06/05/502.77 mE, 44/16/396.41 mN ± 5m.

From an existing oil and gas field service road (Algiers Pass Road) and surface pipeline, the proposed access and pipeline parallel each other and trend 4500 feet (1371.95 m) north to the Algiers Pass #5-2J well pad.

The land is administered by the Utah School Institutional Trust Land Administration (SITLA). A total of 30.66 acres (10 block, 20.66 linear) was surveyed. The field work was conducted on May 24 and 25, 2005 by AIA archaeologist James Truesdale. All the field notes and maps are located in the AIA office in Laramie, Wyoming.

## File Search

A file search was conducted by the Utah Division of State History (UDSH), Antiquities Section, Records Division on April 11, 2005 and at the Vernal BLM office in February of 2005 by the author. In addition, an update of AIA's USGS 7.5'/1968 quadrangle maps Big Pack Mountain, Big Pack Mountain NW, Big Pack Mountain NE, Big Pack Mountain SE, and Moon Bottom maps from the UDSH's Big Pack Mountain, Big Pack Mountain NW, Big Pack Mountain NE, Big Pack Mountain SE, and Moon Bottom maps occurred on November 8, 2003 and again on February 3, 2004. The Utah SHPO GIS file search indicates that no previous projects had been conducted and no historic properties (sites, isolates) have been recorded in the general area.

AIA records and maps indicates that one project (U-04-AY-846(b,s)) was previously conducted in the immediate area. The project was conducted for the Algiers Pass Road (Truesdale 2005). One site 42UN4595 was recorded during the project. The site is a small sheep herder camp of unknown age that is located over 1/2 mile east of the proposed Algiers Pass #5-2J well pad, its access and pipeline. No additional projects and/or cultural materials (sites, isolates) have been previously recorded in the immediate project area.

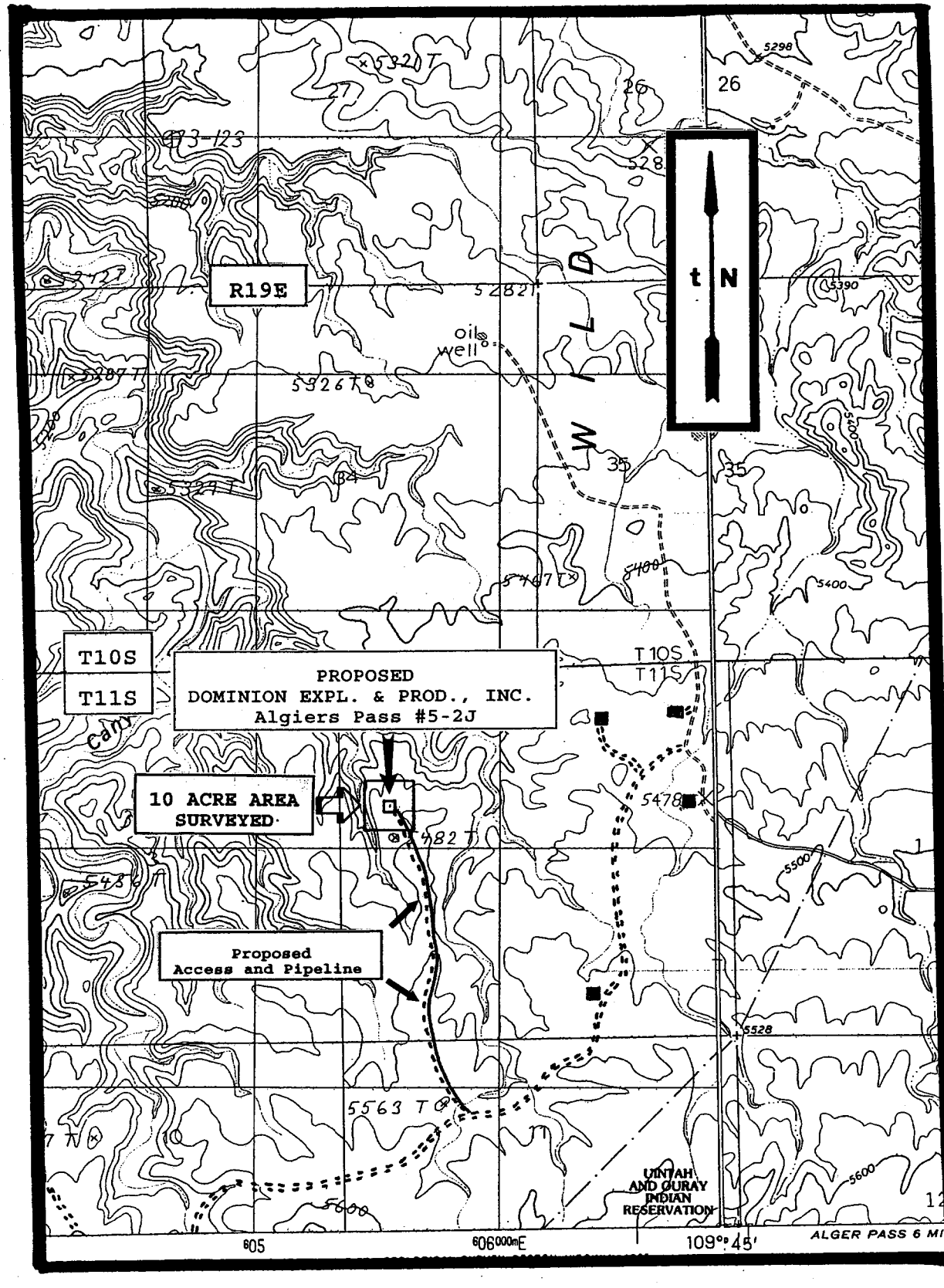



Figure 1. Location of the Dominion Exploration & Production Inc. 's proposed Algiers Pass #5-2J well, its access and pipeline on 7.5'/1985 USGS quadrangle map Moon Bottom, Uintah County, Utah.

Environment

Physiographically, the project is situated on Wild Horse Bench located in the Uinta Basin, eighteen miles south of Ouray, Utah. Wild Horse Bench is located east of the Green River. The Uinta Basin is structurally the lowest part of the Colorado Plateau geographical province (Thornbury 1965:425). The Uinta Basin is a large, relatively flat, bowl shaped, east-west asymmetrical syncline near the base of the Uinta Mountains (Stokes 1986:231). The topography is characteristic of sloping surfaces which incline northward and are mainly dip slopes on the harder layers of Green River and Uinta Formations. A thick section of more than 9000 feet (2743.9 m) of early Tertiary rocks are exposed (Childs 1950). These rocks are mainly Paleocene and Eocene in age and consist of sandstone, clay and shale lacustrine, fluviatile, and deltaic continental deposits, most famous of which are the lacustrine Green River Beds.

The immediate project area is situated on the high upland hills, benches and ridges of Wild Horse Bench. Algiers Pass unit is located 6 miles east of the Green River, 1 1/2 mile east of Kings Canyon, and 3 miles west of Hill Creek. Sediments in the project area are dominated by shallow (<10 cm) sandy clay loam colluvium mixed with various sized angular pieces of Uintah formation sandstone, and smaller pieces of clays and shales. Portions of the desert hardpan and bedrock on Wild Horse Bench are covered with aeolian sand which may reach a depth of over 150 to 200 centimeters in areas.

Vegetation on Wild Horse Bench is characteristic of a low sagebrush community with shadscale and greasewood. Species observed in the project area include; shadscale (Atriplex confertifolia), saltbush (Atriplex nuttalli), rabbitbrush (Chrysothamnus viscidiflorus), big sagebrush (Artemesia tridentata), budsage (Artemesia spinescens), winterfat (Eurotia lanata), greasewood (Sarcobatus baileyi), western wheatgrass (Agropyron smithii), Indian ricegrass (Oryzopsis hymenoides), sandberg bluegrass (Poa sandergii), needleandthread grass (Stipa comata), cheatgrass (Bromus tectorum), wild buckwheat (Erigonum ovalifolium), desert trumpet (Erigonum inflatum), tansy mustard (Descurainia sophia), false dandalion (Agoseris spp.), larkspur (delphinium spp.), Sego Lily (Calochortus nuttallii), Birdcage Evening Primrose (Oenothera deltoides), Hood's phlox (Phlox hoodii), long leaved phlox (Phlox longiflolia), desert globemallow (Bromus tectorum), yellow cryptantha (Cryptantha flava), western pink verrain (Verbena ambrosifloia), crescent milkvetch (Astragalus amphiorys), peppergrass (Lepidium perfoliatum), Russian thistle (Salsola kali), and prickly pear cactus (Opuntia spp.). In addition, a riparian community may be found along the Green River 6 miles to the west and 3 miles to the east along Hill Creek.

Algiers Pass (AP) #5-2J

The immediate proposed Algiers Pass (AP) #5-2J well is situated on the top and a small bench along the western edge of a large south to north trending ridge (Fgiure 2). The ridge is part of a much larger sequence of hills, benches and ridges located on Wild Horse Bench. An ephemeral drainage wash is located 300 feet (91.4 m) west of the proposed well pad.

Sediments on and surrounding the proposed well pad are colluvial in nature. These colluvial sediments consist of shallow (<5 cm), tan to light brown, poorly sorted, moderately compacted, sandy clay loam colluvium mixed with tiny to small flat angular pieces of sandstone, clay, and shale (Figure 3). Large angular pieces sandstone can be found eroding across the entire well pad.

Exposed and eroding sandstone, clay and shale bedrock dominates the immediate landscape. Vegetation is sparse and consists of low sagebrush, rabbitbrush, saltbush, bunchgrasses (wheatgrass, cheatgrass, Indian ricegrass), and prickly pear cactus. The proposed well location is located at an elevation of 5444.8 feet (1660 m) AMSL.

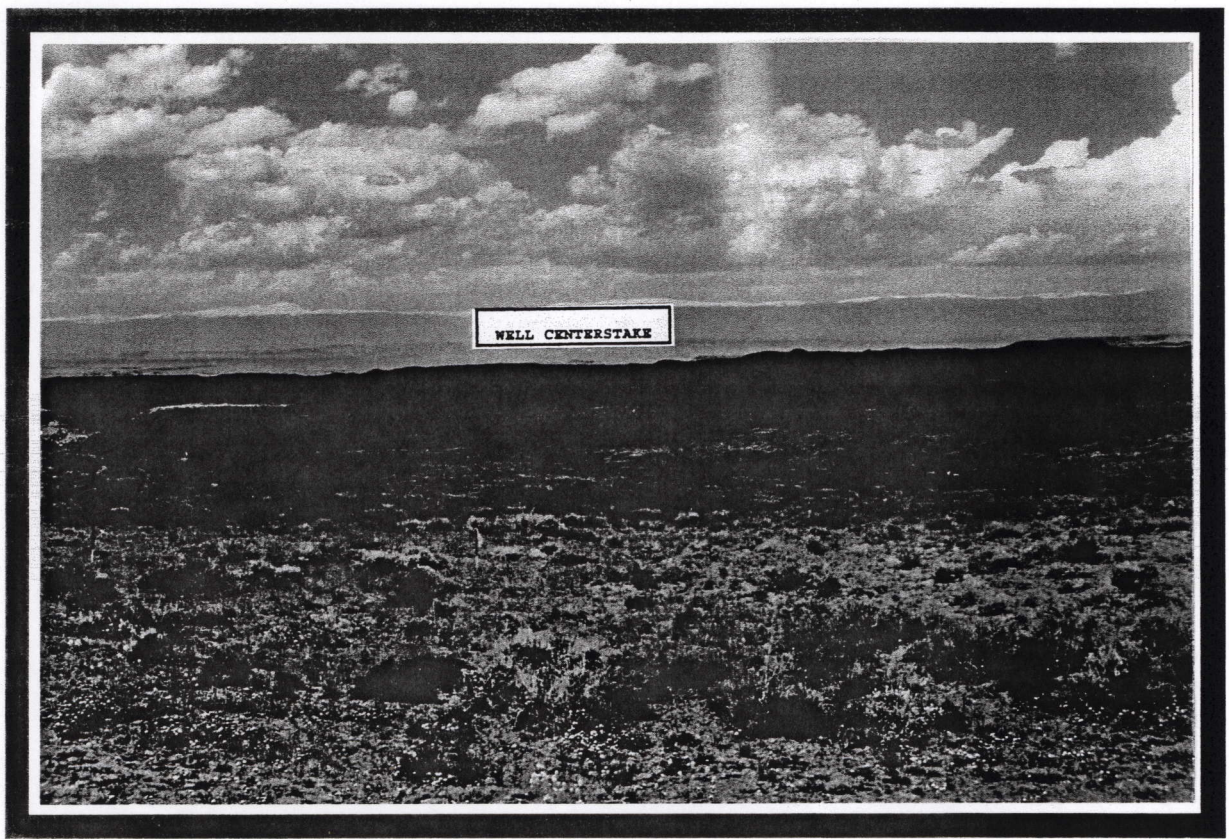



Figure 2. View to north at the proposed Algiers Pass (AP) #5-2J well pad and centerstake.

From an existing oil and gas field service road and pipeline, the proposed access and pipeline trend north 4500 feet (1371.95 m) to the Algiers Pass (AP) #5-2J well pad. The existing oil and gas field road is the Algiers Pass Road (Truesdale 2005). The access and pipeline leave the Algiers Pass Road, cross a small ephemeral drainage wash and trend north up the southern slope of a ridge. Once on top of the ridge, the access and pipeline continue north following the top (crest) of a large broad south to north trending ridge to the proposed AP #5-2J well pad.

Sediments along the access and pipeline are colluvial in nature. These colluvial deposits consist of shallow (<5 cm), tan to light brown, poorly sorted, moderately compacted, sandy clay loam that is mixed with tiny to large tabular pieces of sandstone, clay and shales. Many of the large angular pieces of sandstone exhibit a dark brown to black desert varnish (patination). Vegetation along the access and pipeline is sparse and consists of low sagebrush, rabbitbrush, saltbush, bunchgrasses (wheatgrass, cheatgrass, indian rice-grass), and prickly pear cactus.

Figure 3. Oblique view of the colluvial sandy clay loam sediments that are on and surround the proposed Algiers Pass (AP) #5-2J well centerstake.

Field Methods

A total of 10 acres was surveyed around the centerstake of the proposed Algiers Pass (AP) #5-2J well location to allow for relocation of the pad if necessary. The survey was accomplished by walking transects spaced no more than 15 and 20 meters apart. The proposed access and pipeline parallel each other. Each of these linear corridors surveyed is 4500 feet (1371.4 m) long and 100 feet (30.4 m) wide, 10.33 acres. Thus, a total of 20.66 linear acres was surveyed.

Geologic landforms (rockshelters, alcoves, ridge tops and saddles) and areas of subsurface exposure (ant hills, blowouts, rodent holes and burrows, eroding slopes and cutbanks) were examined with special care in order to locate cultural resources (sites, isolates) and possibly help assess a site's sedimentary integrity and potential for the presence and/or absence of buried intact cultural deposits. The entire surface area of ridge tops were covered. All exposures of sandstone cliff faces, alcoves or rockshelter, and talus slopes were surveyed.

When cultural materials are discovered, a more thorough survey of the immediate vicinity is conducted in order to locate any associated artifacts and to determine the horizontal extent (surface area) of the site. If no other artifacts are located during the search then the initial artifact is recorded as an isolated find. At times, isolated formal tools (typical end scrapers, projectile points) were drawn and measured. The isolate was then described and its location plotted on a U.S.G.S. topographic map using UTM coordinates.

When sites are found an Intermountain Antiquities Computer System (IMACS) form is used to record the site. At all sites, selected topographic features, site boundaries, stone tools and cultural features (hearths, foundations, trash dumps and trails) are mapped. Sites are mapped onto a 1:10 cm K&E grid paper using a Brunton compass and Trimble Geophysical 3 GPS unit, UTM coordinates, and pacing off distances from a mapping station (datum). All debitage is inventoried using standard recording techniques (Truesdale et al 1995:7) according to material type, basic flake type, and so on. Selected (mostly complete) stone tools and projectile points are drawn and/or measured. All features (rockart panel(s), hearths, foundations, trash dumps and trails), are measured and described, while selected features are either drawn or photographed.

Site location data is recorded by a Trimble Geophysical 3 and/or GARMIN GPSIII or E-Trex Legend Global Positioning Systems (GPS). Universal Transverse Mercator (UTM) grid data is recorded in an obvious way (ie. UTM Zone 12; NAD 83; centroid coordinate: 06/15/927 mE 44/17/443 mN), along with its Estimated Position Error (EPE) and Dilution of Precision (DOP). Site elevations are taken

along with each UTM coordinate. Using the GPS data, the site location was then placed on a USGS 7.5' quadrangle map.

Results

A total of 30.66 acres (10 block, 20.66 linear) were surveyed for cultural resources within and around the proposed Dominion Exploration and Production, Inc. Algiers Pass (AP) #5-2J well and along its access and flowline. No cultural resources were located during the survey.

A moderate scatter of modern trash (plastic bottles, sanitary food cans, miscellaneous metal, wire, green, brown and clear glass bottles and bottle fragments, foam insulation) can be found on and surrounding the existing well pads and along the existing oil and gas field service roads on Wild Horse Bench and in the Algiers Pass gas field area.

Recommendations

A total of 30.66 acres (10 block, 20.66 linear) were surveyed for cultural resources within and around the proposed Dominion Exploration and Production, Inc. Algiers Pass #5-2J well and along its access and flowline. No cultural resources were located during the survey.

A moderate scatter of modern trash (plastic bottles, sanitary food cans, miscellaneous metal, wire, green, brown and clear glass bottles and bottle fragments, foam insulation) can be found on and surrounding the existing well pads and along the existing oil and gas field service roads on Wild Horse Bench and in the Algiers Pass gas field area.

The possibility of buried and/or intact cultural materials on the proposed well pad or along its access and pipeline is low.

No cultural resources (historic properties, isolates) were recorded during the survey for the proposed Algiers Pass (AP) #5-2J well, its access and pipeline. Therefore, no additional archaeological work is necessary and clearance is recommended for the construction of the Algiers Pass (AP) #5-2J well pad, its access and flowline.

## References Cited


Childs, O.E.
1950 Geologic history of the Uinta Basin, Utah Geological and Mineralogical Survey. Guidebook to the Geology of Utah, No. 5:49-59.

Stokes, William Lee
1986 Geology of Utah. Contributions by Utah Museum of Natural History, and the Utah Geological and Mineral Survey Department of Natural Resources. Utah Museum of Natural History, Occasional Papers Number 6.

Thornbury, William D.
1965 Regional Geomorphology of the United States. John Wiley & Sons, Inc.

Truesdale, James A., Kathleen E Hiatt, and Clifford Duncan
1995 Cultural Resource Inventory of the Proposed Ouray Gravel Pit Location, Uintah-Ouray Ute Reservation, Uintah County, Utah. Report prepared for U & W Construction, Ft. Duchesne, Utah by AIA, Laramie, Wyoming.

Truesdale, James A.
2005 EOG Resources, Inc.: Algiers Pass Road; A Cultural Resource Survey and Inventory for a oil and gas field service road, Uintah County, Utah. Report prepared for EOG Resources, Inc. by AIA. Manuscript is on file at AIA office in Laramie, Wyoming.

| WELL COUNT | WELL NAME | ADMINISTERED BY | LOCATION | PALEONTOLOGY SENSITIVITY | MITIGATION RECOMMENDATIONS |
|---|---|---|---|---|---|
| 48 | KC 1-32E | STATE | Sec. 32, 10S-19E<br>609' FNL 794' FEL | LOW | NONE |
| | Proposed Pipeline to KC#1-32E & KC#10-36D | | T10S, R19E,<br>T11S, R18&19E | LOW- Bench top mostly covered with sand and rock debris. Only found two minor turtle shell fragment sites in outcrops of Uinta Formation | NONE |
| 49 | KC 9-32E | STATE | | | |
| 50 | KC 10-36D | STATE | Sec. 36, 10S-18E<br>779' FSL 1932' FEL | LOW | NONE |
| 51 | KC 9-36D | STATE | Sec. 36, 10S-18E<br>900' FSL 650' FEL | LOW | NONE |
| 52 | KC 8-32E | STATE | Sec. 32, 10S-19E<br>1660' FNL 446' FEL | LOW | NONE |
| | Proposed Pipeline to KC#8-32E | | Sec. 26,27,32,33,34,&35, T11S, R19E and 2, 11,10,9, & 4 T11S-R19E | LOW – Bench top mostly covered with sand and rock debris. Did not find any fossil in Uinta the Formation outcrops. | NONE |
| A | AP 1-2J | STATE | Sec. 2, 11S-19E<br>700' FNL 700' FEL | HIGH – mammal limb & toe bone fragments eroding out of small knoll southwest of location. **42Un1821v** | ★ Avoid this area during construction and other ground disturbing activities. |
| B | AP 2-2J | STATE | Sec. 2, 11S-19E<br>698' FNL 1634' FEL | HIGH – several vertebrae and other mammal bone fragments within 6 yards of corner #6. **42Un1822v** | ★ This area needs to be avoided either by rounding the corner or by moving the well slightly. |
| C | AP 3-2J | STATE | Sec. 2, 11S-19E<br>602' FNL 1942' FWL | LOW | NONE |
| D | AP 5-2J | STATE | Sec. 2, 11S-19E<br>1992' FNL 691' FWL | LOW | NONE |
| E | AP 8-2J | STATE | Sec. 2, 11S-19E<br>1997' FNL 585' FEL | LOW | NONE |
| F | AP 9-2J | STATE | Sec. 2, 11S-19E | | |
| G | AP 10-2J | STATE | Sec. 2, 11S-19E<br>2102' FSL 1818' FEL | LOW | NONE |
| H | AP 15-2J | STATE | Sec. 2, 11S-19E<br>706' FSL 1872' FEL | LOW | NONE |

# XTO ENERGY, INC.
## AP #5-2JX
## SECTION 2, T11S, R19E, S.L.B.&M.

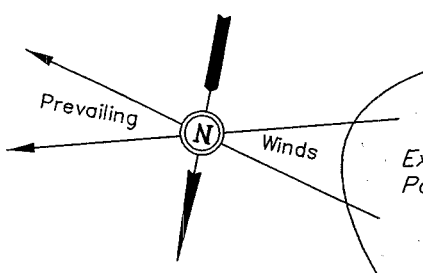
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.3 MILES.

# XTO ENERGY, INC.

## LOCATION LAYOUT FOR

AP #5-2JX
SECTION 2, T11S, R19E, S.L.B.&M.
2021' FNL 709' FWL




SCALE: 1" = 50'
DATE: 11-30-07
Drawn By: C.H.
Revised: 01-24-08 C.C.

*NOTE:*
*Flare Pit is to be located a min. of 100' from the Well Head.*

Existing Pond
Approx. Top of Cut Slope
Existing Road
Topsoil Stockpile
Reserve Pit Backfill & Spoils Stockpile
Pit Topsoil
FLARE PIT
Approx. Toe of Fill Slope
Round Corners as Needed
Total Pit Capacity W/2' of Freeboard = 13,260 Bbls. ± Total Pit Volume = 3,620 Cu. Yds.
Slope = 1-1/2:1
RESERVE PITS (10' Deep)
Existing Pad
Dry Hole #5-2J
STORAGE TANK
GRADE
CATWALK
PIPE RACKS
SUBSTRUCTURE
KOOMEY & DOGHOUSE
H20 (480 BBLS)
MUD PIT
CAT-399
L.P. HOUSE
DIESEL
BOILER
TOILET
TRAILER
DATA
20' WIDE BENCH
10' WIDE BENCH

| | | |
|---|---|---|
| 7 | C-1.6' | El. 41.3' |
| 8 | C-5.4' | El. 45.1' |
| 9 | F-1.0' | El. 38.7' |
| 1 | F-3.5' | El. 36.2' |
| 2 | F-9.4' | El. 30.3' |
| 3 | C-0.1' | El. 39.8' |
| 4 | F-0.9' | El. 38.8' |
| 5 | F-0.2' | El. 39.5' |
| 6 | C-22.3' | El. 52.0' (btm. pit) |
| A | F-0.7' | El. 39.0' |
| B | C-9.7' | El. 39.4' (btm. pit) |
| C | C-0.6' | El. 40.3' |
| D | | El. 39.7' |

65' | 175' | 160' | 27' | 15' | 38' | 135' | 100' | 140' | 180' | 55'

Sta. 3+55
Sta. 1+80
Sta. 0+70
Sta. 0+00

Elev. Ungraded Ground at Location Stake = 5439.7'
Elev. Graded Ground at Location Stake = 5439.7'


UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

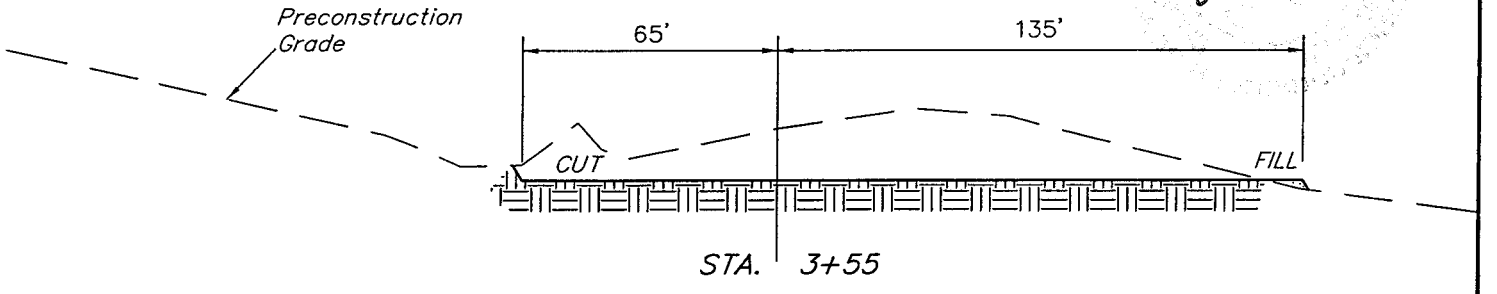
# XTO ENERGY, INC.

## TYPICAL CROSS SECTIONS FOR

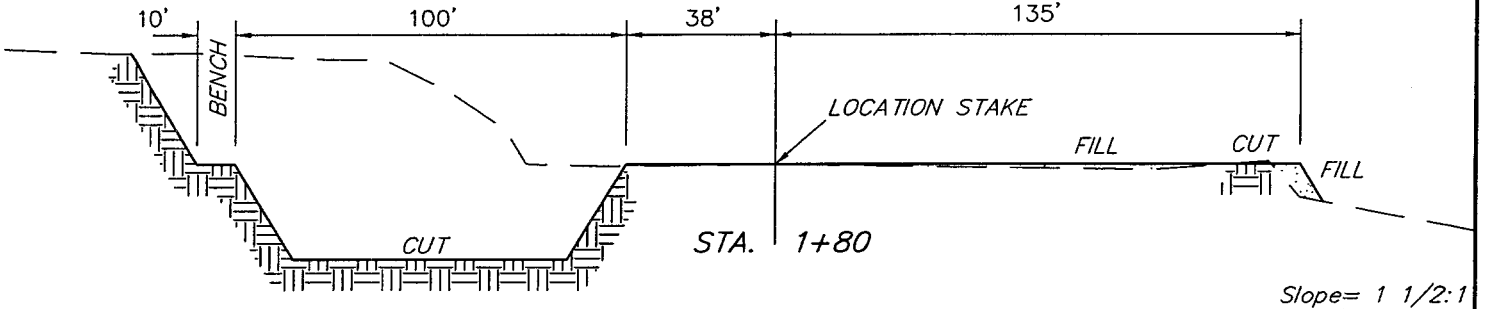
AP #5-2JX
SECTION 2, T11S, R19E, S.L.B.&M.
2021' FNL 709' FWL

1" = 20'
X-Section Scale
1" = 50'

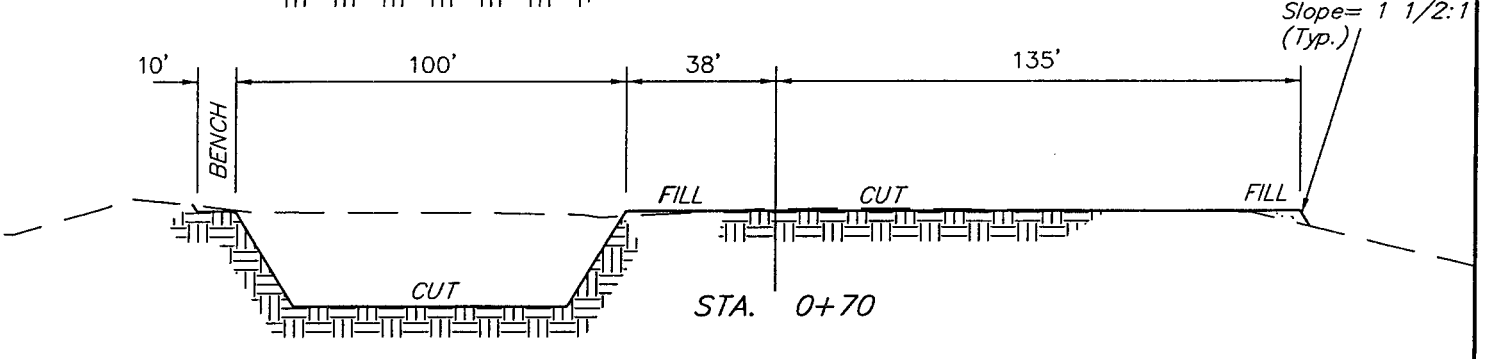
DATE: 11-30-07
Drawn By: C.H.
Revised: 01-24-08 C.C.



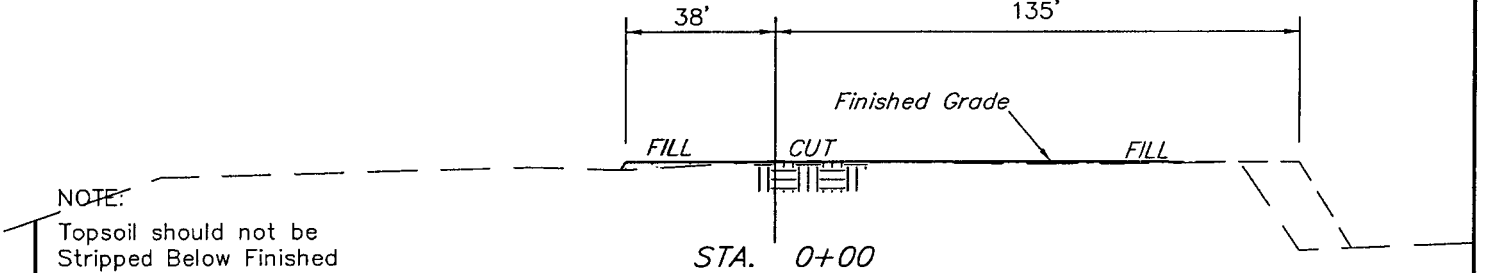

STA. 3+55




STA. 1+80




STA. 0+70




STA. 0+00

NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

## APPROXIMATE YARDAGES

CUT

| | | |
|---|---|---|
| (6") Topsoil Stripping | = 640 | Cu. Yds. |
| Remaining Location | = 8,820 | Cu. Yds. |
| TOTAL CUT | = 9,460 | CU.YDS. |
| FILL | = 950 | CU.YDS. |

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

| | | |
|---|---|---|
| EXCESS MATERIAL | = 8,510 | Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 2,450 | Cu. Yds. |
| EXCESS UNBALANCE (After Interim Rehabilitation) | = 6,060 | Cu. Yds. |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85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

# XTO ENERGY, INC.

## AP #5-2JX

**LOCATED IN UINTAH COUNTY, UTAH**
**SECTION 2, T11S, R19E, S.L.B.&M.**

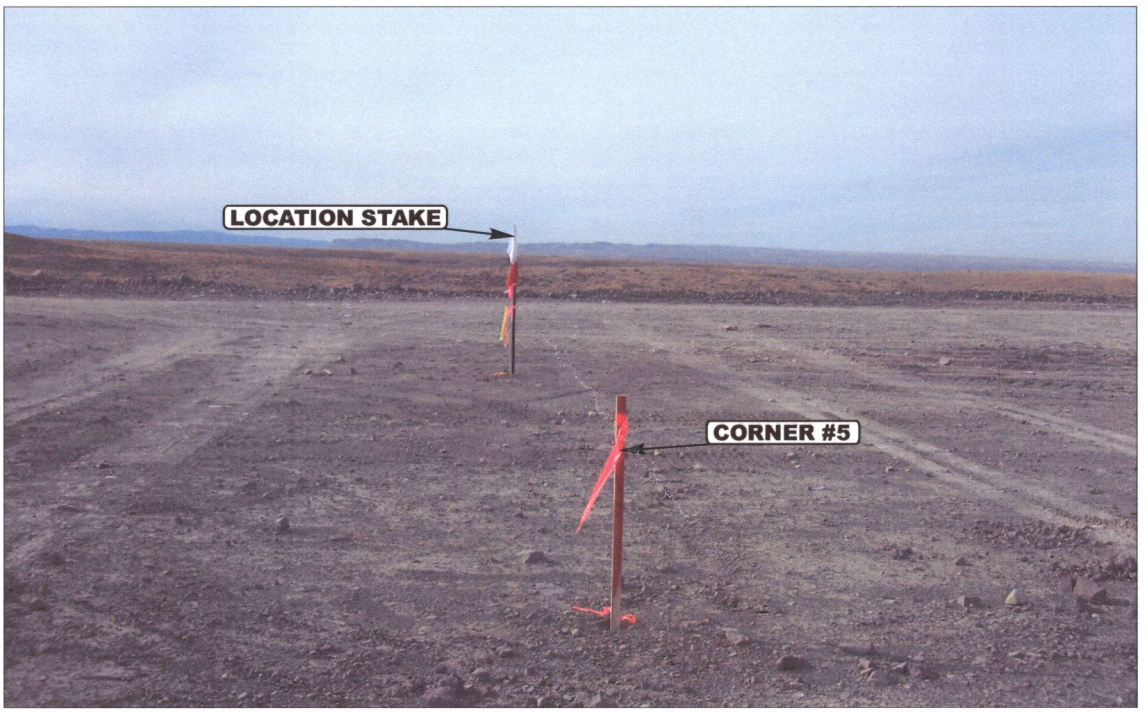


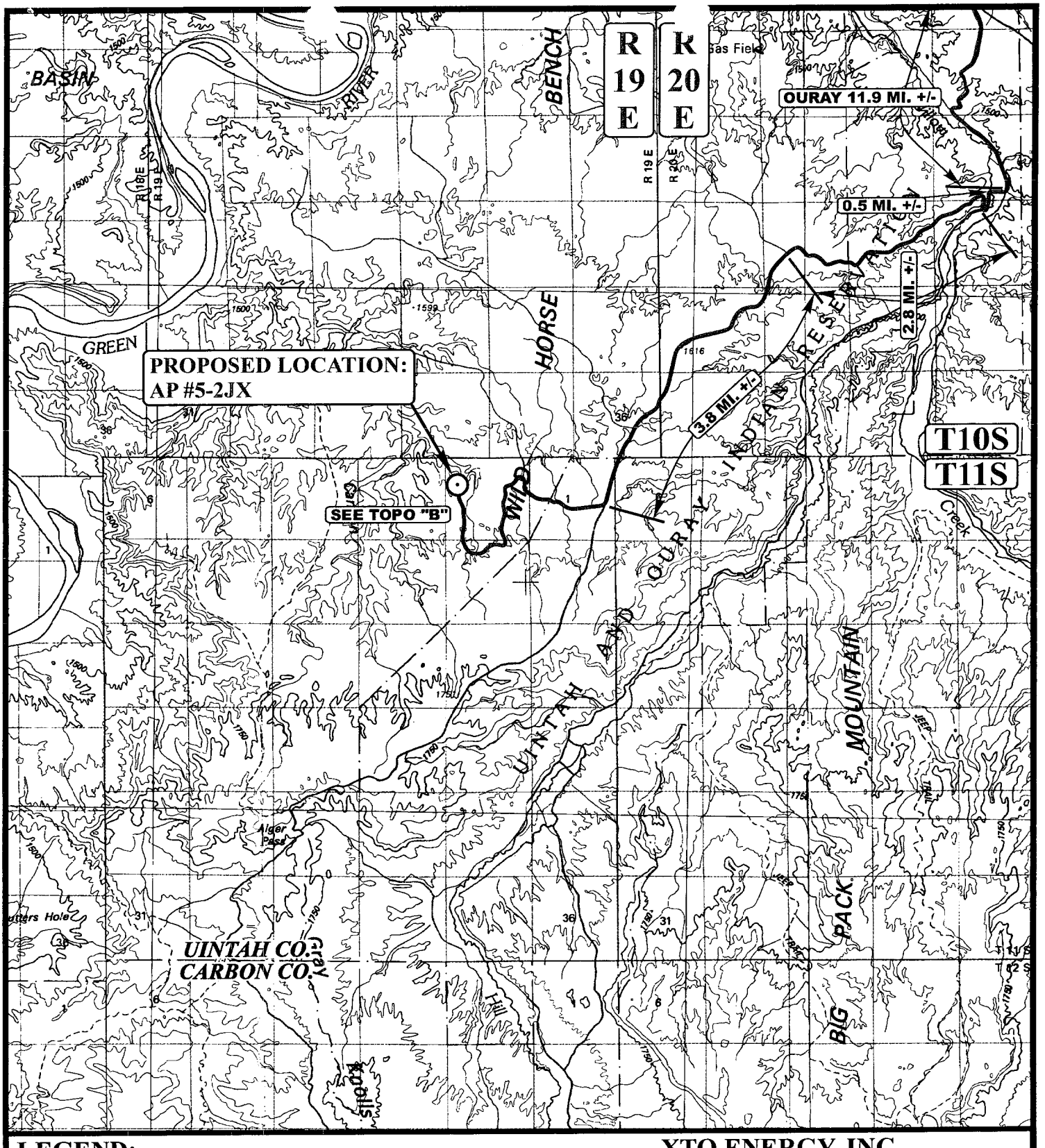

**PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE** **CAMERA ANGLE: SOUTHWESTERLY**

**PHOTO: VIEW OF EXISTING ACCESS** **CAMERA ANGLE: NORTHWESTERLY**


- Since 1964 -

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com


| LOCATION PHOTOS | 06 MONTH | 02 DAY | 05 YEAR | PHOTO |
|---|---|---|---|---|
| TAKEN BY: J.R. | DRAWN BY: C.P. | REV: 01-24-08 C.C. | | |




**LEGEND:**

⊙ PROPOSED LOCATION

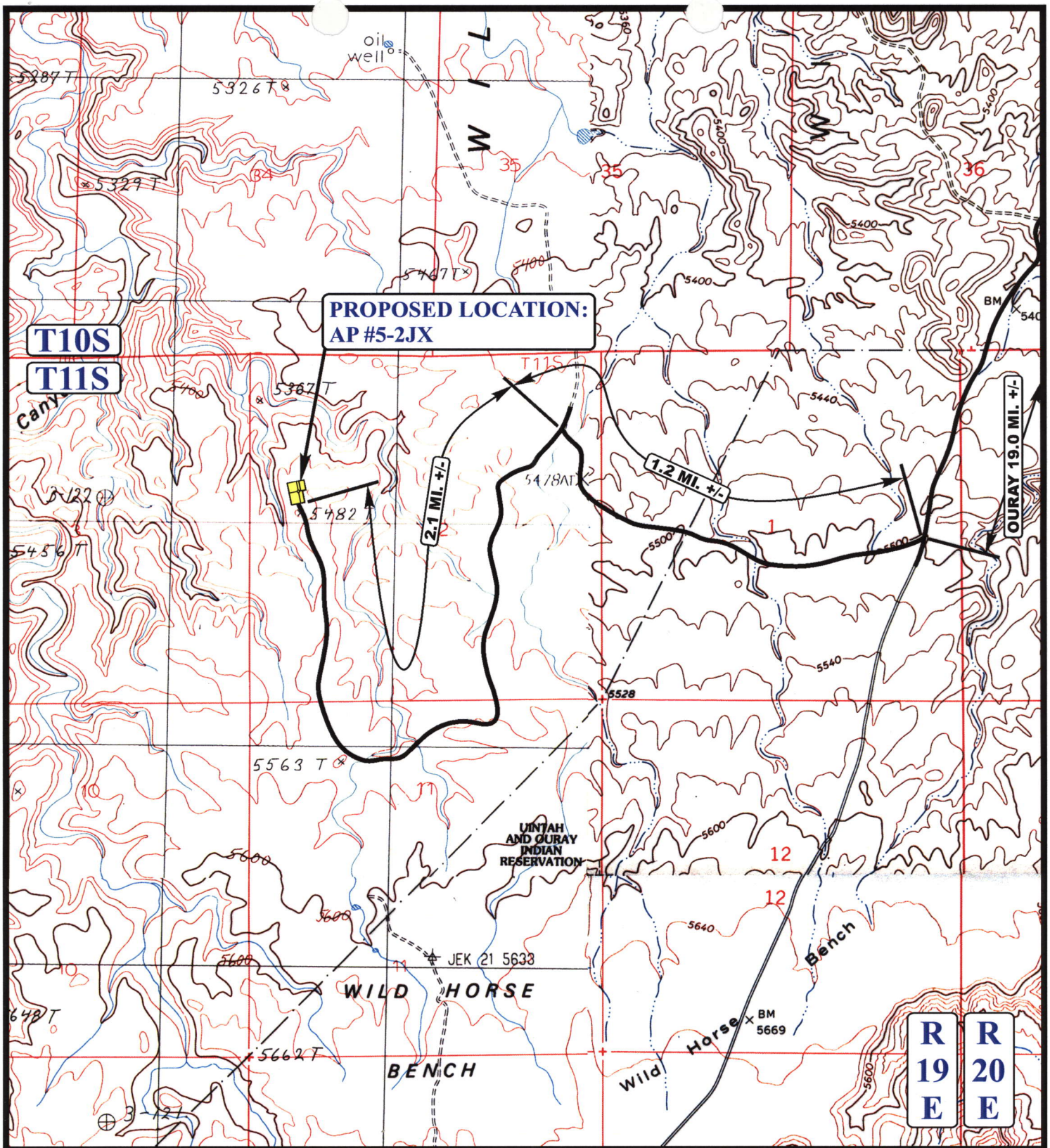
N

**XTO ENERGY, INC.**

**AP #5-2JX**
**SECTION 2, T11S, R19E, S.L.B.&M.**
**2021' FNL 709' FWL**


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813


| TOPOGRAPHIC MAP | 06 MONTH | 02 DAY | 05 YEAR | A TOPO |
|---|---|---|---|---|
| SCALE: 1:100,000 | DRAWN BY: C.P. | REV: 01-24-08 C.C. | | |




**LEGEND:**

EXISTING ROAD

N

**XTO ENERGY, INC.**

**AP #5-2JX**
**SECTION 2, T11S, R19E, S.L.B.&M.**
**2021' FNL 709' FWL**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85 South 200 East Vernal, Utah 84078
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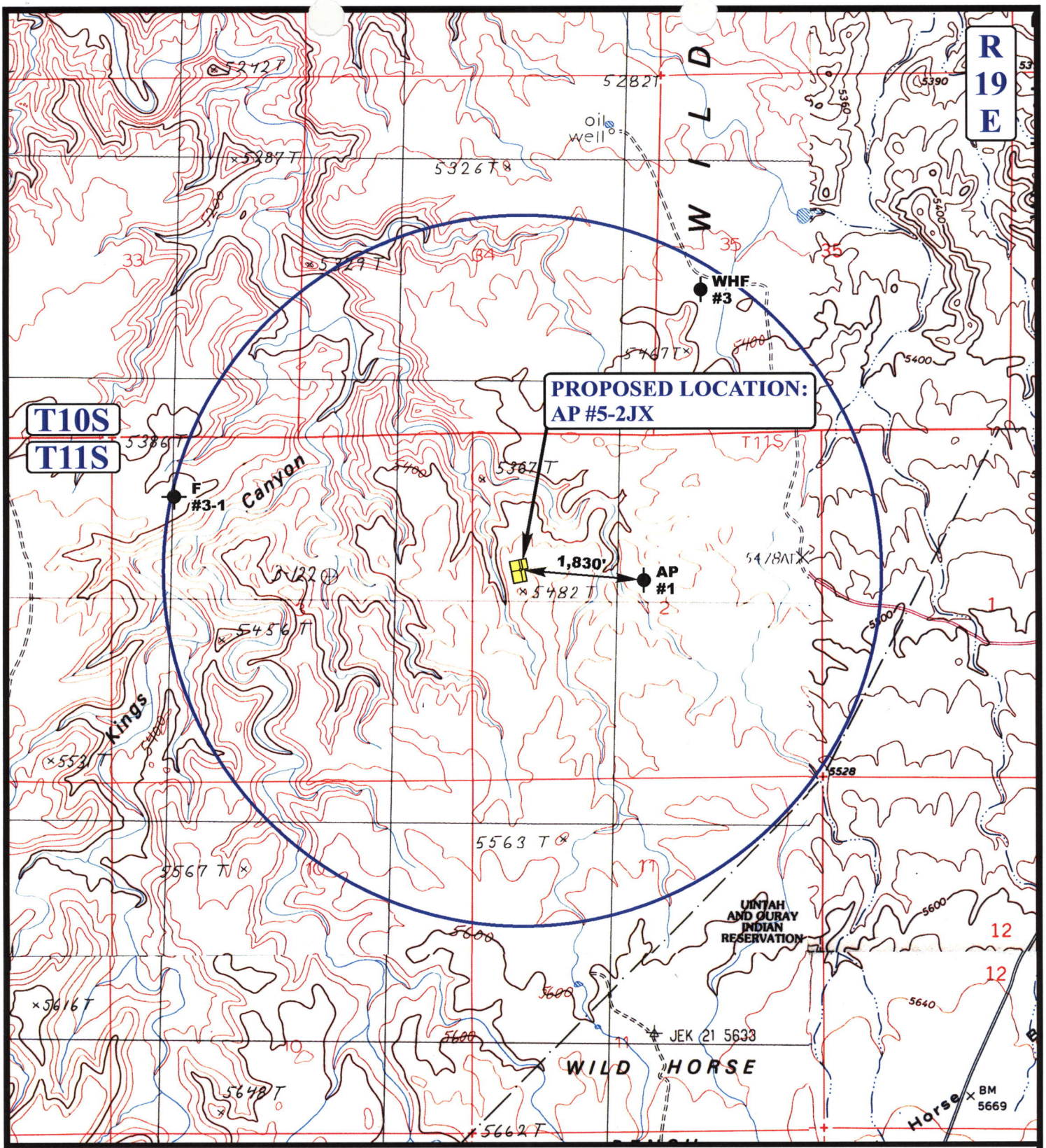
| TOPOGRAPHIC MAP | 06 MONTH | 02 DAY | 05 YEAR | B TOPO |
|---|---|---|---|---|
| SCALE: 1" = 2000' | DRAWN BY: C.P. | REV: 01-24-08 C.C. | | |




## LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

## XTO ENERGY, INC.

**AP #5-2JX**
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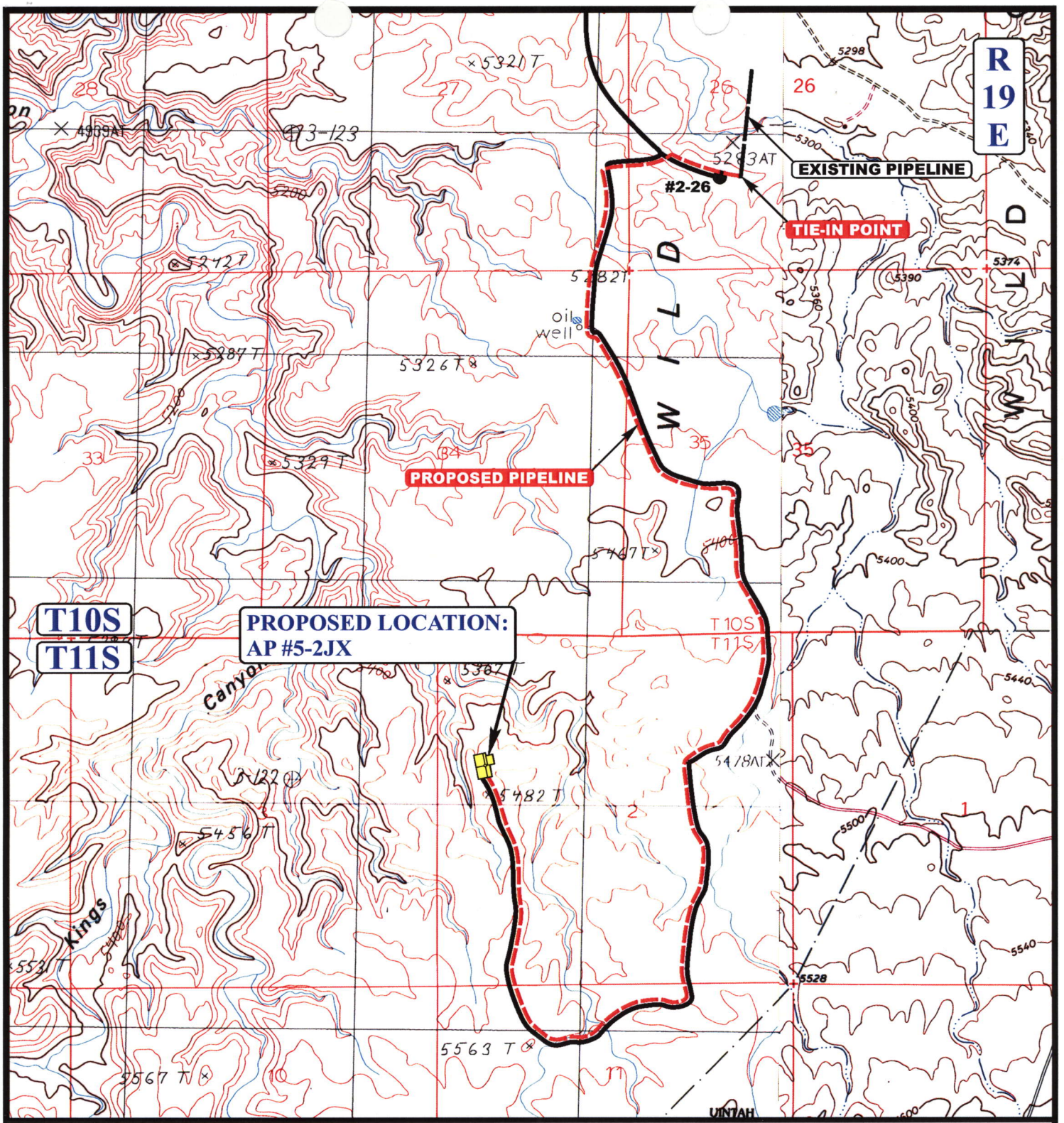


APPROXIMATE TOTAL PIPELINE DISTANCE = 22,100' +/-

**LEGEND:**

EXISTING PIPELINE

PROPOSED PIPELINE

N

**XTO ENERGY, INC.**

**AP #5-2JX**
**SECTION 2, T11S, R19E, S.L.B.&M.**
**2021' FNL 709' FWL**


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85 South 200 East Vernal, Utah 84078
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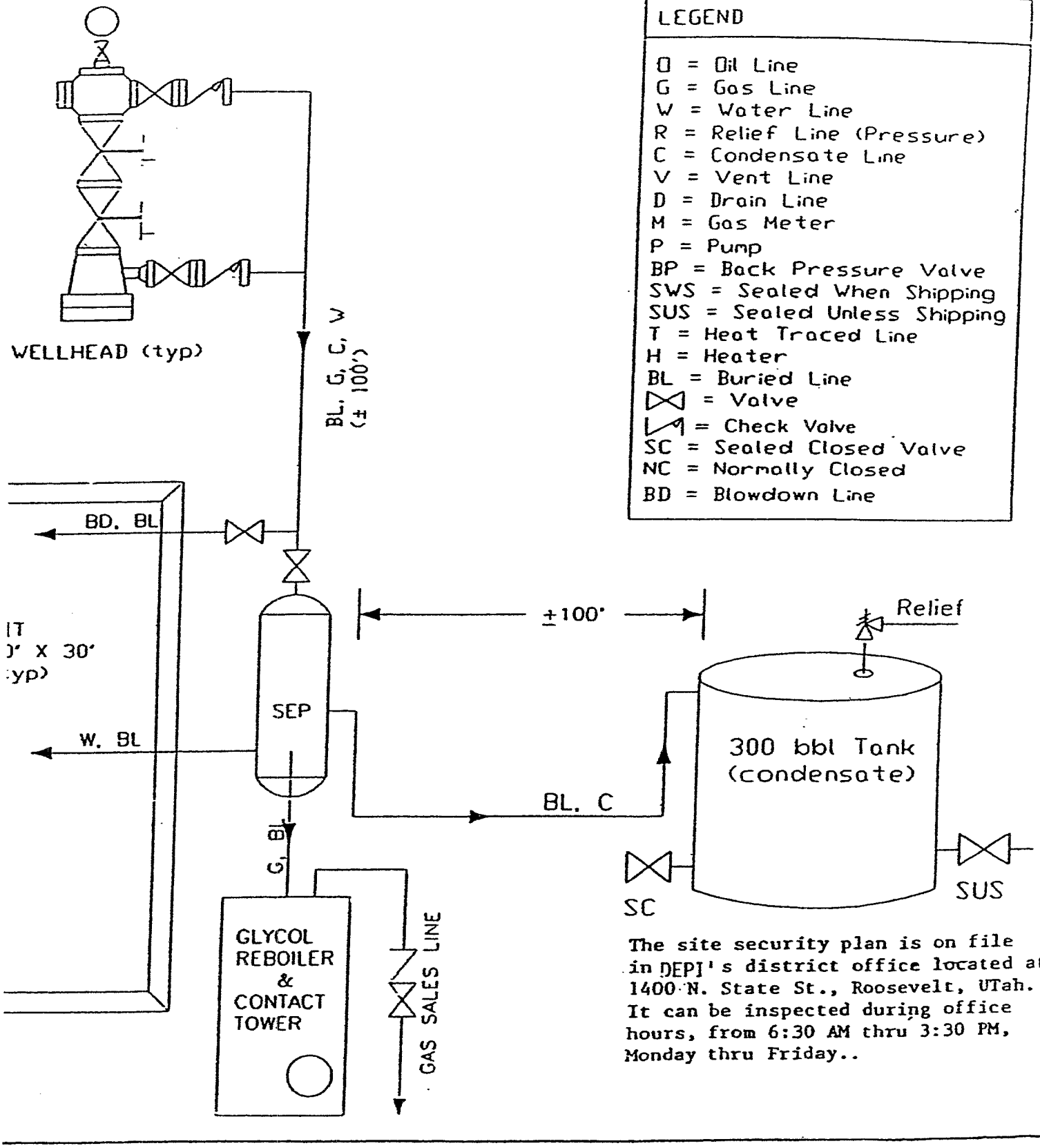
| TOPOGRAPHIC MAP | 06 MONTH | 02 DAY | 05 YEAR | D TOPO |
|---|---|---|---|---|
| SCALE: 1" = 2000' | DRAWN BY: C.P. | REV: 01-24-08 C.C. | | |




The site security plan is on file in DEPI's district office located at 1400 N. State St., Roosevelt, UTah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

# BOP Equipment

3000psi WP

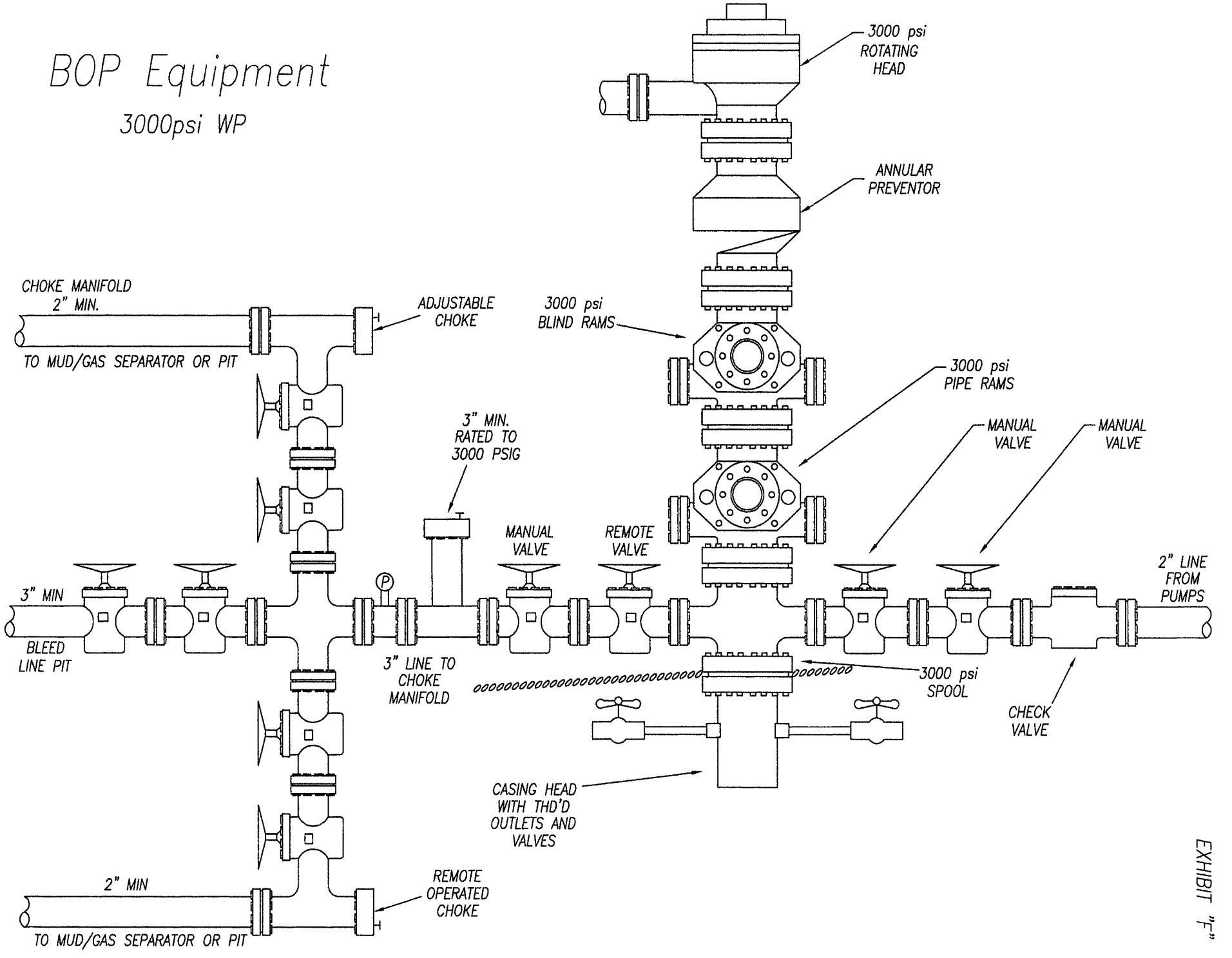



EXHIBIT "F"

**WORKSHEET**

**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/03/2008

API NO. ASSIGNED: 43-047-40107

WELL NAME: AP 5-2JX

OPERATOR: XTO ENERGY INC ( N2615 )

PHONE NUMBER: 405-749-5263

CONTACT: DON HAMILTON

PROPOSED LOCATION:

SWNW 02 110S 190E

SURFACE: 2021 FNL 0709 FWL

BOTTOM: 2021 FNL 0709 FWL

COUNTY: UINTAH

LATITUDE: 39.89085 LONGITUDE: -109.7653

UTM SURF EASTINGS: 605570 NORTHINGS: 4416163

FIELD NAME: Aiger Pass ( 755 )

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|---|---|---|
| Engineering | DKD | 8/5/08 |
| Geology | | |
| Surface | | |

LEASE TYPE: 3 - State

LEASE NUMBER: ML-36213

SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 10431276Z )

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 43-10991 )

N RDCC Review (Y/N)
(Date: )

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: ___

✓ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

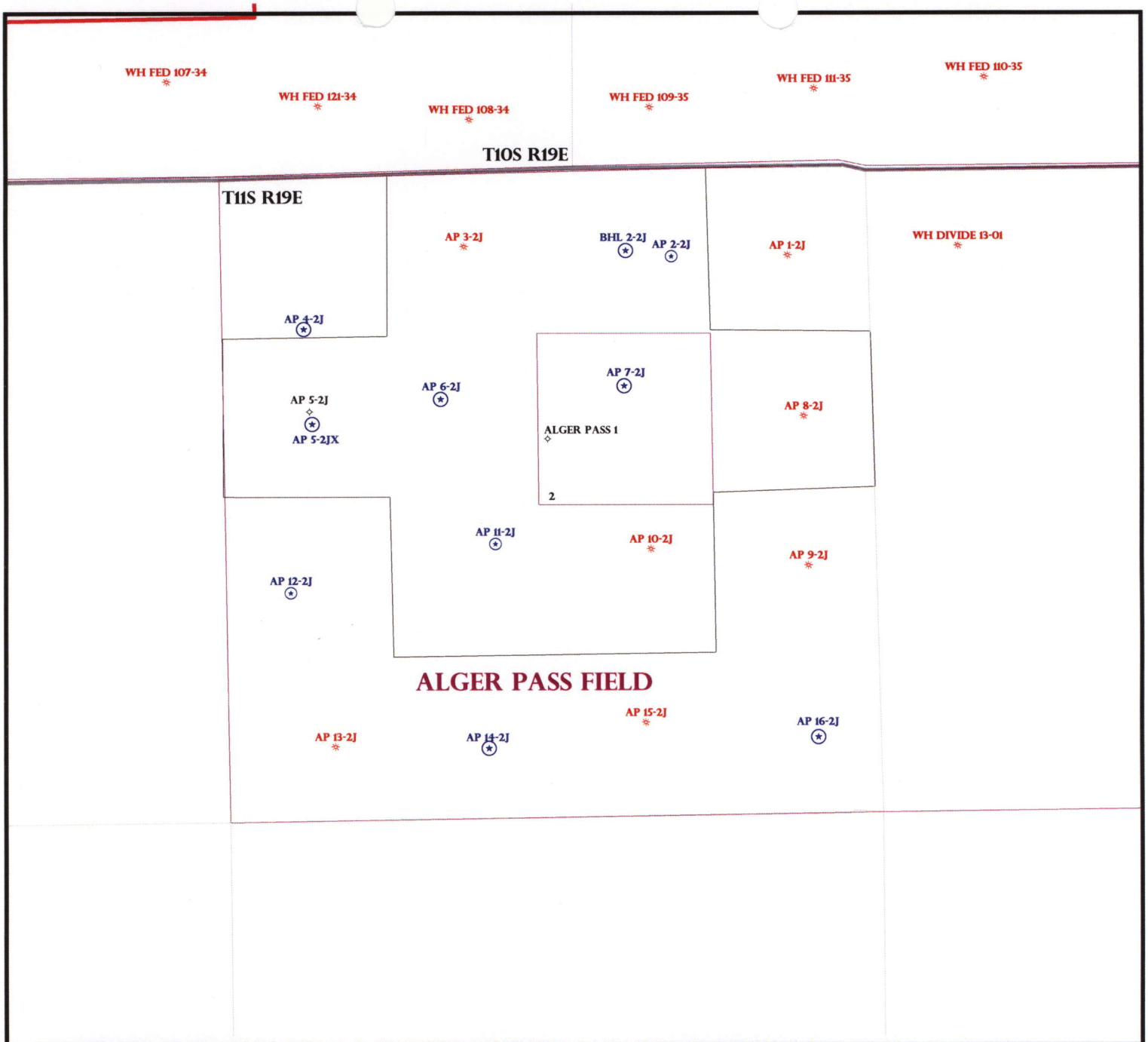
___ R649-3-3. Exception

___ Drilling Unit
Board Cause No: ___
Eff Date: ___
Siting: ___

___ R649-3-11. Directional Drill

COMMENTS: Needs Permit (06-24-08)

STIPULATIONS: 1- Spacing Stip
2- STATEMENT OF BASIS
3- Surface Csg Cmt Stip




OPERATOR: XTO ENERGY INC (N2615)

SEC: 2 T.11S R.19E

FIELD: ALGER PASS (755)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

**Field Status**
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

**Wells Status**
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

UTAH DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 04-JUNE-2008

# Application for Permit to Drill
# Statement of Basis



| APD No | API WellNo | Status | Well Type | Surf Ownr | CBM |
|---|---|---|---|---|---|
| 784 | 43-047-40107-00-00 | | GW | S | No |

**Operator** XTO ENERGY INC **Surface Owner-APD**
**Well Name** AP 5-2JX **Unit**
**Field** ALGER PASS **Type of Work**
**Location** SWNW 2 11S 19E S 2021 FNL 709 FWL GPS Coord (UTM) 605570E 4416163N

**Geologic Statement of Basis**

XTO proposes to set 2,200 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed Casing and cement program should adequately protect usable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill — 7/16/2008
**APD Evaluator** — **Date / Time**

**Surface Statement of Basis**

Floyd Bartlett (DOGM), Ken Secrist, Jody Mecham and Zander Mcentire (XTO), Jim Davis (SITLA), Brandon Bowthorpe(U.E.L.S.),Bill McClure (LaRose Construction), Randy Jackson (Jackson Construction)

The general area is known as Wild Horse Bench and is located approximately 15 air miles southwest of Ouray, Utah. Wild Horse Bench is a large open flat area with somewhat steep and frequent side-draws draining to the west toward the Green River and the northeast toward Willow Creek. The Uintah and Ouray Indian Reservation is to the east. The area is accessed by Uintah County roads and existing oilfield roads to the location.

The proposed AP 5-2JX is mostly located on a location with a well that has been plugged. This was the AP 5-2J well that was drilled but tools were stuck in the hole and could not be recovered. The pad will be extended to the south in flat terrain. No diversions are needed around the pad. No springs, seeps or streams are known to exist in the immediate area.

The pre-drill investigation did not reveal any significant issues or situations, which should prohibit drilling and operating this well.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the site evaluation. He had no concerns regarding the proposal. XTO is to contact SITLA for site restoration standards and seed mixes. Ben Williams of the Utah Division of Wildlife Resources was invited to the pre-site. He did not attend.

A 100' x 140' x 10' deep reserve pit is planned on the northeast corner of the location in an area of cut. A pit liner and sub felt are both required. XTO commonly uses a 16 mil liner which should be adequate for this location.

Antelope, deer, elk, wild horses, coyotes, rabbits and miscellaneous small mammals and birds.

Broom snakeweed, halogeton and greasewood.

Surface soils are a shallow gravely, sandy loam with some surface rock.

| | |
|---|---|
| Floyd Bartlett | 6/24/2008 |
| **Onsite Evaluator** | **Date / Time** |

**Conditions of Approval / Application for Permit to Drill**

| Category | Condition |
|---|---|
| Pits | A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit. |
| Surface | The reserve pit shall be fenced upon completion of drilling operations. |

# ON-SITE PREDRILL EVALUATION

## Utah Division of Oil, Gas and Mining

**Operator** XTO ENERGY INC
**Well Name** AP 5-2JX
**API Number** 43-047-40107-0 **APD No** 784 **Field/Unit** ALGER PASS
**Location: 1/4,1/4** SWNW **Sec** 2 **Tw** 11S **Rng** 19E 2021 FNL 709 FWL
**GPS Coord (UTM)** 605575 4416159 **Surface Owner**

**Participants**

Floyd Bartlett (DOGM), Ken Secrist, Jody Mecham and Zander Mcentire (XTO), Jim Davis (SITLA), Brandon Bowthorpe(U.E.L.S.),Bill McClure (LaRose Construction), Randy Jackson (Jackson Construction)

**Regional/Local Setting & Topography**

The general area is known as Wild Horse Bench and is located approximately 15 air miles southwest of Ouray, Utah. Wild Horse Bench is a large open flat area with somewhat steep and frequent side-draws draining to the west toward the Green River and the northeast toward Willow Creek. The Uintah and Ouray Indian Reservation is to the east. The area is accessed by Uintah County roads and existing oilfield roads to the location.

The proposed AP 5-2JX is mostly located on a location with a well that has been plugged. This was the AP 5-2J well that was drilled but tools were stuck in the hole and could not be recovered. The pad will be extended to the south in flat terrain. No diversions are needed around the pad. No springs, seeps or streams are known to exist in the immediate area.

The pre-drill investigation did not reveal any significant issues or situations, which should prohibit drilling and operating this well.

**Surface Use Plan**

**Current Surface Use**
Grazing
Recreational
Wildlfe Habitat
Existing Well Pad

| New Road Miles | Well Pad | | Src Const Material | Surface Formation |
|---|---|---|---|---|
| 0 | **Width** 283 | **Length** 355 | Onsite | UNTA |

**Ancillary Facilities** N

**Waste Management Plan Adequate?**

**Environmental Parameters**

**Affected Floodplains and/or Wetland** N

**Flora / Fauna**

Antelope, deer, elk, wild horses, coyotes, rabbits and miscellaneous small mammals and birds.

Broom snakeweed, halogeton and greasewood.

**Soil Type and Characteristics**

Surface soils are a shallow gravely, sandy loam with some surface rock.

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diverson Required** N

**Berm Required?** N

**Erosion Sedimentation Control Required?** N

**Paleo Survey Run?** **Paleo Potental Observed?** N **Cultural Survey Run?** Y **Cultural Resources?**

**Reserve Pit**

| Site-Specific Factors | | Site Ranking |
|---|---|---|
| **Distance to Groundwater (feet)** | >200 | 0 |
| **Distance to Surface Water (feet)** | >1000 | 0 |
| **Dist. Nearest Municipal Well (ft)** | >5280 | 0 |
| **Distance to Other Wells (feet)** | 300 to 1320 | 10 |
| **Native Soil Type** | Mod permeability | 10 |
| **Fluid Type** | Fresh Water | 5 |
| **Drill Cuttings** | Normal Rock | 0 |
| **Annual Precipitation (inches)** | <10 | 0 |
| **Affected Populations** | <10 | 0 |
| **Presence Nearby Utility Conduits** | Not Present | 0 |
| | **Final Score** | 25 **Sensitivity Level** |

**Characteristics / Requirements**

A 100' x 140' x 10' deep reserve pit is planned on the northeast corner of the location in an area of cut. A pit liner and sub felt are both required. XTO commonly uses a 16 mil liner which should be adequate for this location.

**Closed Loop Mud Required?** N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

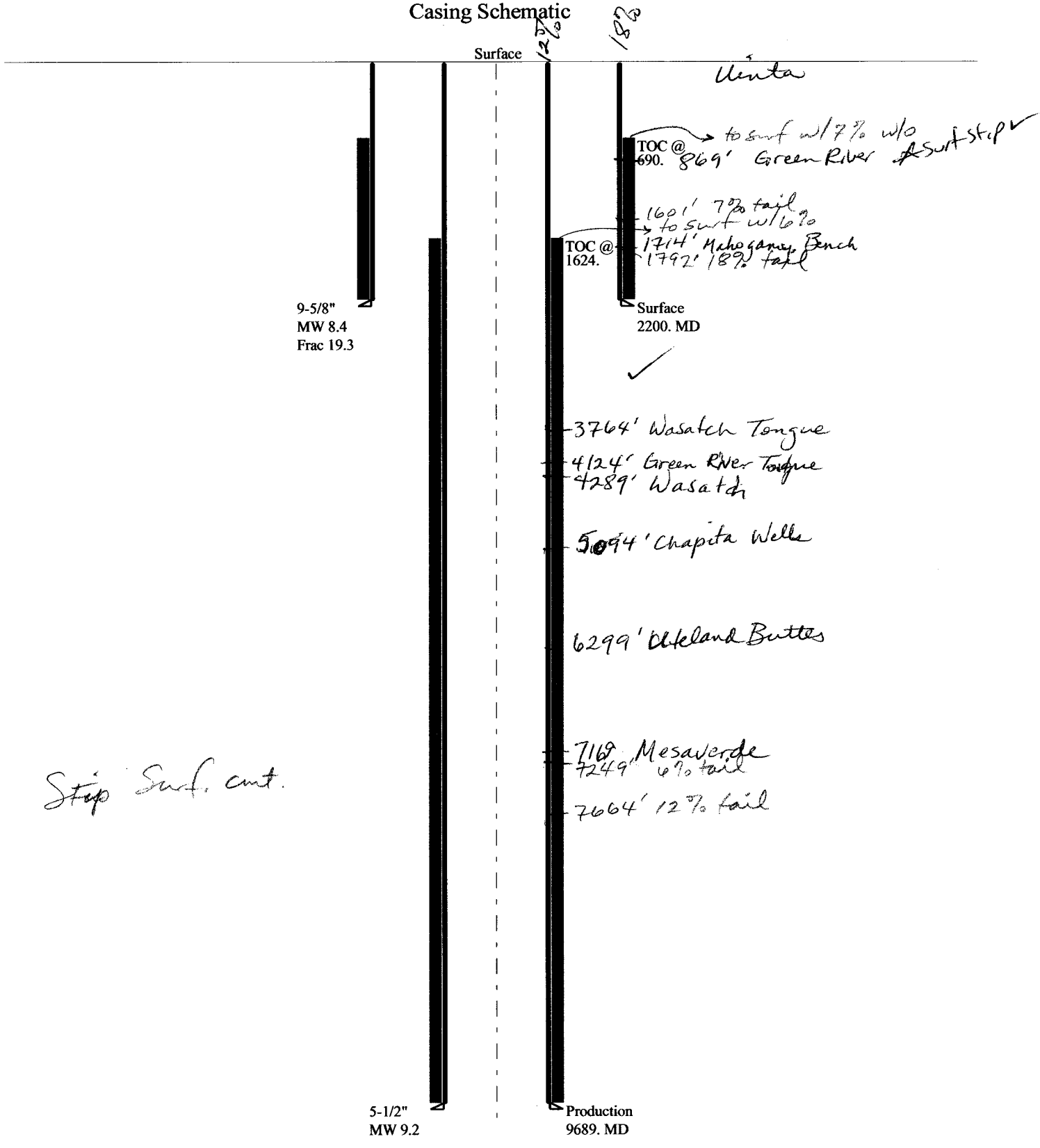
**Other Observations / Comments**

Floyd Bartlett — **Evaluator**

6/24/2008 — **Date / Time**

# 2008-07 XTO AP 5-2JX

## Casing Schematic



| | |
|---|---|
| Well name: | **2008-07 XTO AP 5-2JX** |
| Operator: | **XTO Energy, Inc.** |
| String type: | Surface |
| Project ID: | 43-047-40107 |
| Location: | Uintah County |

**Design parameters:**

**Collapse**

Mud weight: 8.400 ppg

Design is based on evacuated pipe.

**Burst**

Max anticipated surface pressure: 1,936 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 2,200 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Tension:**

| | |
|---|---|
| 8 Round STC: | 1.80 (J) |
| 8 Round LTC: | 1.80 (J) |
| Buttress: | 1.60 (J) |
| Premium: | 1.50 (J) |
| Body yield: | 1.50 (B) |

Tension is based on air weight.

Neutral point: 1,926 ft

**Environment:**

| | |
|---|---|
| H2S considered? | No |
| Surface temperature: | 65 °F |
| Bottom hole temperature: | 96 °F |
| Temperature gradient: | 1.40 °F/100ft |
| Minimum section length: | 185 ft |
| Cement top: | 690 ft |

**Non-directional string.**

**Re subsequent strings:**

| | |
|---|---|
| Next setting depth: | 9,689 ft |
| Next mud weight: | 9.200 ppg |
| Next setting BHP: | 4,631 psi |
| Fracture mud wt: | 19.250 ppg |
| Fracture depth: | 2,200 ft |
| Injection pressure: | 2,200 psi |

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity ($ft^3$) |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2200 | 9.625 | 36.00 | J-55 | ST&C | 2200 | 2200 | 8.796 | 954.9 |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 960 | 2020 | 2.104 | 2200 | 3520 | 1.60 | 79 | 394 | 4.97 J |

Prepared by: Helen Sadik-Macdonald, Div of Oil,Gas & Minerals

Phone: 810-538-5357

Date: July 30,2008
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 2200 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

| | |
|---|---|
| Well name: | **2008-07 XTO AP 5-2JX** |
| Operator: | **XTO Energy, Inc.** |
| String type: | Production |
| Project ID: | 43-047-40107 |
| Location: | Uintah County |

**Design parameters:**

**Collapse**

Mud weight: 9.200 ppg
Design is based on evacuated pipe.

**Burst**

Max anticipated surface pressure: 2,499 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 4,631 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Tension:**

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 8,337 ft

**Environment:**

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 201 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: 1,624 ft

**Non-directional string.**

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity ($ft^3$) |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 9689 | 5.5 | 17.00 | N-80 | LT&C | 9689 | 9689 | 4.767 | 1264.7 |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 4631 | 6290 | 1.358 | 4631 | 7740 | 1.67 | 165 | 348 | 2.11 J |

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals

Phone: 810-538-5357

Date: July 30,2008
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 9689 ft, a mud weight of 9.2 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

## BOPE REVIEW — XTO AP 5-2JX API 43-047-40107

### INPUT

| Well Name | XTO AP 5-2JX API 43-047-40107 | | | |
|---|---|---|---|---|
| | String 1 | String 2 | | |
| Casing Size (") | 9 5/8 | 5 1/2 | | |
| Setting Depth (TVD) | 2200 | 9689 | | |
| Previous Shoe Setting Depth (TVD) | 0 | 2200 | | |
| Max Mud Weight (ppg) | 8.4 | 9.2 ✓ | | |
| BOPE Proposed (psi) | 0 | 3000 | | |
| Casing Internal Yield (psi) | 3520 | 7740 | | |
| Operators Max Anticipated Pressure (psi) | 4600 | 9.1 ppg ✓ | | |

| Calculations | String 1 | 9 5/8 " | |
|---|---|---|---|
| Max BHP [psi] | .052*Setting Depth*MW = | 961 | |
| | | | BOPE Adequate For Drilling And Setting Casing at Depth? |
| MASP (Gas) [psi] | Max BHP-(0.12*Setting Depth) = | 697 | NO |
| MASP (Gas/Mud) [psi] | Max BHP-(0.22*Setting Depth) = | 477 | NO |
| | | | *Can Full Expected Pressure Be Held At Previous Shoe? |
| Pressure At Previous Shoe | Max BHP-.22*(Setting Depth - Previous Shoe Depth) = | 477 | ← NO Common depth in Area — No expected pressures |
| Required Casing/BOPE Test Pressure | | 2200 | psi |
| *Max Pressure Allowed @ Previous Casing Shoe = | | 0 | psi *Assumes 1psi/ft frac gradient |

| Calculations | String 2 | 5 1/2 " | |
|---|---|---|---|
| Max BHP [psi] | .052*Setting Depth*MW = | 4635 | |
| | | | BOPE Adequate For Drilling And Setting Casing at Depth? |
| MASP (Gas) [psi] | Max BHP-(0.12*Setting Depth) = | 3473 | NO |
| MASP (Gas/Mud) [psi] | Max BHP-(0.22*Setting Depth) = | 2504 | YES ✓ |
| | | | *Can Full Expected Pressure Be Held At Previous Shoe? |
| Pressure At Previous Shoe | Max BHP-.22*(Setting Depth - Previous Shoe Depth) = | 2988 | ← NO OK. |
| Required Casing/BOPE Test Pressure | | 3000 | psi |
| *Max Pressure Allowed @ Previous Casing Shoe = | | 2200 | psi *Assumes 1psi/ft frac gradient |

**From:** Ed Bonner
**To:** Mason, Diana
**Date:** 7/10/2008 10:46 AM
**Subject:** Well Clearance

**CC:** Davis, Jim; Garrison, LaVonne; Hill, Brad; Jarvis, Dan

The following wells have been given cultural resources and paleontological resources clearance by the Trust Lands Administration:

EOG Resources, Inc
- NBU 735-36E (API 43 047 50039)
- NBU 733-36E (API 43 047 50042)
- NBU 731-36E (API 43 047 50038)
- NBU 670-29E (API 43 047 40084)
- NBU 495-31E (API 43 047 50037)
- NBU 743-31E (API 43 047 50040)
  As per recommendations in paleo report, SITLA is requiring paleo monitoring of the NBU 743-31E location when construction begins and spotchecks during construction.

Kerr-McGee Oil & Gas Onshore LP
- NBU 921-26A1CS (API 43 047 40099)
- NBU 921-25D4AS (API 43 047 40102)
- NBU 921-26N2AS (API 43 047 40110)
- NBU 921-26M4AS (API 43 047 40111)
- NBU 921-26N2DS (API 43 047 40112)

XTO Energy, Inc
- AP 16-2J (API 43 047 40103)
- AP 14-2J (API 43 047 40104)
- AP 7-2J (API 43 047 40105)
- AP 6-2J (API 43 047 40106)
- AP 5-2JX (API 43 047 40107)
- AP 4-2J (API 43 047 40108)

If you have any questions regarding this matter please give me a call.

JON M. HUNTSMAN, JR.
*Governor*

GARY R. HERBERT
*Lieutenant Governor*

# State of Utah
**DEPARTMENT OF NATURAL RESOURCES**

MICHAEL R. STYLER
*Executive Director*

**Division of Oil, Gas and Mining**

JOHN R. BAZA
*Division Director*

August 5, 2008

XTO Energy, Inc.
P O Box 1360
Roosevelt, UT 84066

Re: AP 5-2JX Well, 2021' FNL, 709' FWL, SW NW, Sec. 2, T. 11 South, R. 19 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40107.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

**Operator:** XTO Energy, Inc.

**Well Name & Number** AP 5-2JX

**API Number:** 43-047-40107

**Lease:** ML-36213

**Location:** SW NW **Sec.** 2 **T.** 11 South **R.** 19 East

**Conditions of Approval**

1. **General**

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. **Reporting Requirements**

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

7. Surface casing shall be cemented to the surface.

API Well No: 43047401070000

# STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

**5.LEASE DESIGNATION AND SERIAL NUMBER:** ML-36213

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

**6. IF INDIAN, ALLOTTEE OR TRIBE NAME:**

**7.UNIT or CA AGREEMENT NAME:**

**1. TYPE OF WELL**
Gas Well

**8. WELL NAME and NUMBER:**
AP 5-2JX

**2. NAME OF OPERATOR:**
XTO ENERGY INC

**9. API NUMBER:**
43047401070000

**3. ADDRESS OF OPERATOR:**
382 Road 3100 , Aztec, NM, 87410

**PHONE NUMBER:**
505 333-3159 Ext

**9. FIELD and POOL or WILDCAT:**
ALGER PASS

**4. LOCATION OF WELL**
**FOOTAGES AT SURFACE:**
2021 FNL 0709 FWL
**QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:**
Qtr/Qtr: SWNW Section: 02 Township: 11.0S Range: 19.0E Meridian: S

**COUNTY:**
UINTAH

**STATE:**
UTAH

**11.**
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| ✓ NOTICE OF INTENT<br>Approximate date work will start:<br>8/5/2010 | ☐ ACIDIZE | ☐ ALTER CASING | ☐ CASING REPAIR |
| ☐ SUBSEQUENT REPORT<br>Date of Work Completion: | ☐ CHANGE TO PREVIOUS PLANS | ☐ CHANGE TUBING | ☐ CHANGE WELL NAME |
| ☐ SPUD REPORT<br>Date of Spud: | ☐ CHANGE WELL STATUS | ☐ COMMINGLE PRODUCING FORMATIONS | ☐ CONVERT WELL TYPE |
| ☐ DRILLING REPORT<br>Report Date: | ☐ DEEPEN | ☐ FRACTURE TREAT | ☐ NEW CONSTRUCTION |
| | ☐ OPERATOR CHANGE | ☐ PLUG AND ABANDON | ☐ PLUG BACK |
| | ☐ PRODUCTION START OR RESUME | ☐ RECLAMATION OF WELL SITE | ☐ RECOMPLETE DIFFERENT FORMATION |
| | ☐ REPERFORATE CURRENT FORMATION | ☐ SIDETRACK TO REPAIR WELL | ☐ TEMPORARY ABANDON |
| | ☐ TUBING REPAIR | ☐ VENT OR FLARE | ☐ WATER DISPOSAL |
| | ☐ WATER SHUTOFF | ☐ SI TA STATUS EXTENSION | ✓ APD EXTENSION |
| | ☐ WILDCAT WELL DETERMINATION | ☐ OTHER | OTHER: |

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**

XTO hereby requests a one year State extension on the permit for the referenced well.

**Approved by the Utah Division of Oil, Gas and Mining**

**Date:** August 13, 2009

**By:**

| NAME (PLEASE PRINT) | PHONE NUMBER | TITLE |
|---|---|---|
| Eden Fine | 505 333-3664 | Permitting Clerk |
| **SIGNATURE** | | **DATE** |
| N/A | | 8/11/2009 |

**RECEIVED** August 11, 2009

# The Utah Division of Oil, Gas, and Mining

**- State of Utah**
**- Department of Natural Resources**

**Electronic Permitting System - Sundry Notices**

## Request for Permit Extension Validation Well Number 43047401070000

**API:** 43047401070000
**Well Name:** AP 5-2JX
**Location:** 2021 FNL 0709 FWL QTR SWNW SEC 02 TWNP 110S RNG 190E MER S
**Company Permit Issued to:** XTO ENERGY INC
**Date Original Permit Issued:** 8/5/2008

**The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.**

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

**Approved by the Utah Division of Oil, Gas and Mining**

**Signature:** Eden Fine **Date:** 8/11/2009
**Title:** Permitting Clerk **Representing:** XTO ENERGY INC

**Date:** August 13, 2009
**By:** Dustin Doucet

**RECEIVED** August 11, 2009

API Well No: 43047401070000

# STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

**5.LEASE DESIGNATION AND SERIAL NUMBER:** ML-36213

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Gas Well

**8. WELL NAME and NUMBER:**
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**2. NAME OF OPERATOR:**
XTO ENERGY INC

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43047401070000

**3. ADDRESS OF OPERATOR:**
382 Road 3100 , Aztec, NM, 87410

**PHONE NUMBER:**
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**4. LOCATION OF WELL**
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2021 FNL 0709 FWL
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Qtr/Qtr: SWNW Section: 02 Township: 11.0S Range: 19.0E Meridian: S

**COUNTY:**
UINTAH

**STATE:**
UTAH

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| TYPE OF SUBMISSION | TYPE OF ACTION | | |
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| | ☐ WILDCAT WELL DETERMINATION | ☐ OTHER | OTHER: |

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**

XTO hereby requests a one year extension on the State permit for the referenced well.

**Approved by the Utah Division of Oil, Gas and Mining**

**Date:** August 09, 2010

**By:**

| NAME (PLEASE PRINT) | PHONE NUMBER | TITLE |
|---|---|---|
| Eden Fine | 505 333-3664 | Permitting Clerk |
| **SIGNATURE** | | **DATE** |
| N/A | | 8/9/2010 |

# The Utah Division of Oil, Gas, and Mining

**- State of Utah**
**- Department of Natural Resources**

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**Approved by the Utah Division of Oil, Gas and Mining**

**Signature:** Eden Fine **Date:** 8/9/2010
**Title:** Permitting Clerk **Representing:** XTO ENERGY INC

**Date:** August 09, 2010
**By:** Dustin Doucet

**RECEIVED** August 09, 2010

GARY R. HERBERT
*Governor*

GREG BELL
*Lieutenant Governor*

# State of Utah
**DEPARTMENT OF NATURAL RESOURCES**

MICHAEL R. STYLER
*Executive Director*

**Division of Oil, Gas and Mining**

JOHN R. BAZA
*Division Director*

August 8, 2011

XTO Energy Inc.
382 Road 3100
Aztec, NM 87410

Re: APD Rescinded – AP 5-2JX, Sec. 2, T.11S, R. 19E
Uintah County, Utah API No. 43-047-40107

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 5, 2008. On August 13, 2009 and August 9, 2010 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 8, 2011.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING